



20TH ANNUAL REPORT

2014-2015

CHALLENGING OURSELVES TO ALWAYS DO BETTER



ajit

SHREE AJIT PULP AND PAPER LIMITED

MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

"Our vision and commitment to excellence is the driving force that seamlessly powers our success."

Dear Shareholders,

It gives me great pleasure to write to you at the end of another exciting year in our journey. Your Company has continued to deliver satisfactory performance and further strengthened its position in key market. Our approach in creating value and achieving profitable growth has clearly delivered results.

Paper Industry in India has over the last few years achieved a significant improvement in its environmental footprint to become much more attractive in terms of sustainability of operations and reduced environmental impacts. Examples of these improvements are widespread implementation of water recycling measures, reduction in energy consumption levels and a significant reduction in the waste water norms and air emission level.

Same way your company will continue sustainability practices by following said processes that have the least impact on the environment. Your company plans to work closely with customers and the market in seeking to become the preferred brand.

Last year same day, I had written to you about the enhancing installed capacity from 66000 MT to 90000 MT per annum. The Company has successfully implemented expansion and up-gradation of existing second line of production plant in the month of October, 2014.

Enhancing productivity through technological upgradation is one of the key drivers of economic growth. Started with an initial capacity of 15000 MT per annum, Now SAPPL has reached a capacity of 90000 MT per annum. The result of the expansion can be seen during the current year.

We have continuing improved our operating processes and have become a far stronger organization with a robust model. The fundamental that we have put in place are remunerating in solid progress.

Discussion on financial performance has been dealt with in the Director's report.

As per the provision of section 135 of the Companies Act, 2013, your company covered under corporate social responsibilities (CSR) activities. Your company spend total amounting of ₹ 32.71 lakh towards its CSR activities.

INDIAN ECONOMY

The Indian GDP grew at 7.3% in 2014-15 and is poised to grow by 8% in 2015-16 according to forecasts by Organisation for Economy Co-operation and Development (OECD), compared to China, which is pegged to grow at 7% during these years. With labour costs spiking in China, India is now expected to emerge as the fastest-growing major economy in 2015-16. Lower oil prices and widespread monetary easing brought the world economy to a turning point, with the potential for the acceleration of growth needed in many countries.

The first few months of the year 2015 have added optimism with a hint of excitement to the economic outlook. The government's initiative **MAKE IN INDIA** promises to brand India a global manufacturing hub. Your company intends to leverage this initiative by offering the highest quality and a diverse range of products.

OUTLOOK

As per industry guesstimates, over all paper consumption has now touched 13.10 million tons and per capita consumption is pegged at 10 kg. Demand of paper has been hovering around 8% for some time. So far, the growth in paper industry has mirrored the growth in GDP. India is the fastest growing market for paper globally and it presents an exciting scenario; paper consumption is poised for a big leap forward in sync with the economic growth and is estimated to touch 13.95 million tons by 2015-16. The futuristic view is that growth in paper consumption would be in multiples of GDP and hence an increase in consumption by one kg per capita would lead to an increase in demand of 1 million tons.

The paper packaging products are an important part of the overall packaging industry in India. The growth in the India paper packaging industry has been largely impelled by the augmenting demand for better quality of paper packaging products and changing

consumer preferences. Increasing demand for paper packaging products along with high urban population growth, rising disposable incomes and paper production in India are anticipated to further stimulate the country's overall paper packaging industry.

A higher demand of paper packaging products especially an increased trend in the usage of folding cartons has been observed in India. The increase in the folding carton has been observed on account of factors such as increasing FMCG and other sectors. The corrugated box market has been increasing mainly due to development of the country's logistics sector and escalating exports in the country.

I am sure that the revival of the economy coupled with our operational excellence will result in further all-round success in the years to come.

I am also grateful to all of you for your whole hearted support which propels us to carry on with our job tirelessly. I look forward to meeting you at the forthcoming Annual General Meeting of the Company.

Gautam D Shah
Chairman & Managing Director

SWOT ANALYSIS

STRENGTH

Your company is operating in Multilayer Testliner & Testliner Paper facility with installed capacity of 90,000 MT per annum at the said location. The company has well established marketing network of agents spread across western and southern region to sell the products manufactured. The Company rated A- (pronounced ICRA A Minus) rating by ICRA Ltd. Also the Promoters of the company have ample experience of the industry. They are well versed with various aspects of manufacturing products. As a result, your company will have advantage to hire and retain competent employee and to manage transport of raw material and finished goods due to its location which is well connected National Highway.

WEAKNESS

Sometimes seasonal factor affects the prices and availability of waste paper and accordingly, the profitability.

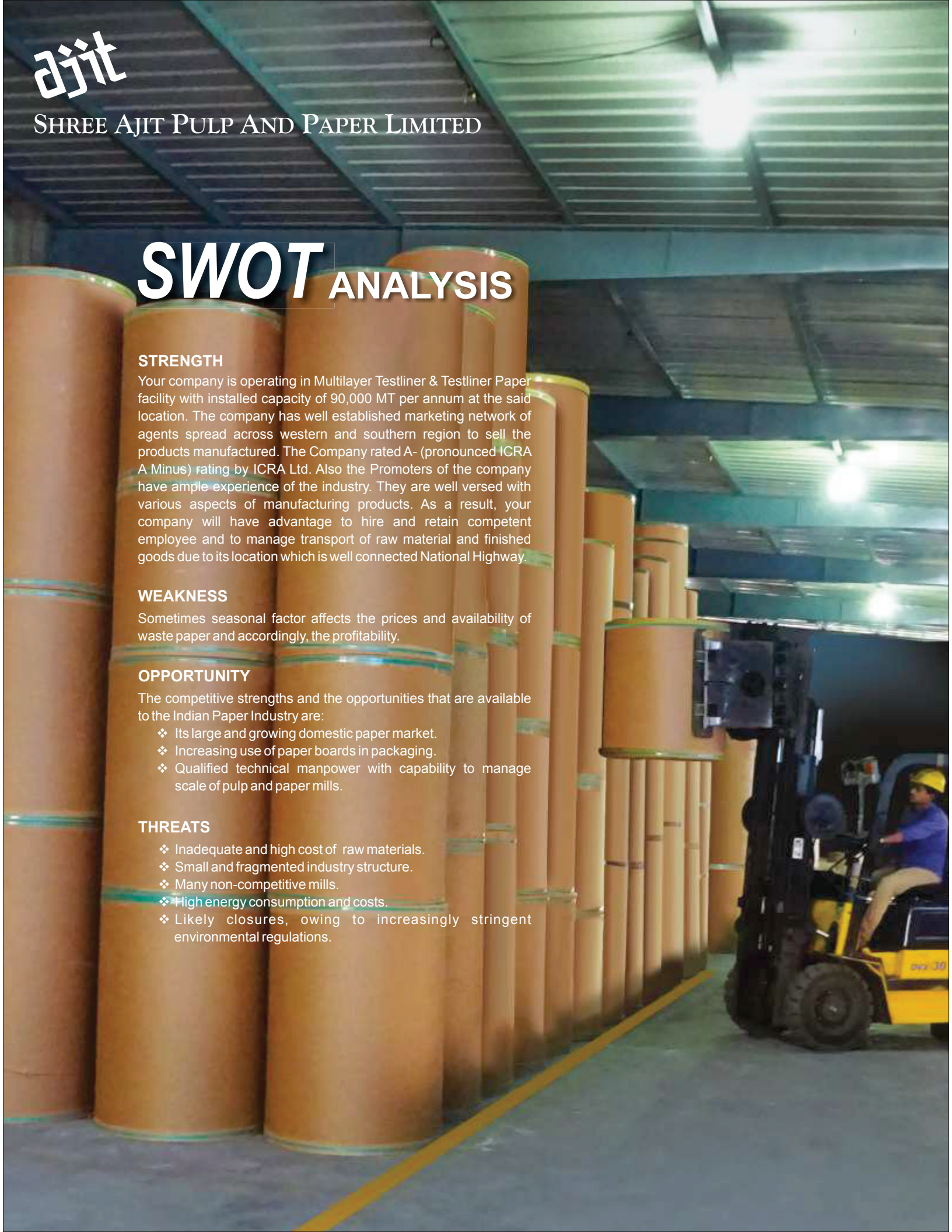
OPPORTUNITY

The competitive strengths and the opportunities that are available to the Indian Paper Industry are:

- ❖ Its large and growing domestic paper market.
- ❖ Increasing use of paper boards in packaging.
- ❖ Qualified technical manpower with capability to manage scale of pulp and paper mills.

THREATS

- ❖ Inadequate and high cost of raw materials.
- ❖ Small and fragmented industry structure.
- ❖ Many non-competitive mills.
- ❖ High energy consumption and costs.
- ❖ Likely closures, owing to increasingly stringent environmental regulations.



BOARD OF DIRECTORS

<i>Shri Gautam D. Shah</i>	<i>Chairman and Managing Director</i>
<i>Smt. Bela G. Shah</i>	<i>Director - Executive from 07-02-2015</i>
<i>Shri Dhansukhlal G. Shah</i>	<i>Director - Non Executive</i>
<i>Shri Piyush R. Shah</i>	<i>Director - Marketing upto 22-01-2015</i>
<i>Shri Laxminarayan J. Garg</i>	<i>Director - Independent</i>
<i>Shri Mitesh M. Mehta</i>	<i>Director - Independent</i>
<i>Shri Darshak B. Shah</i>	<i>Director - Independent</i>

REGISTERED OFFICE

Survey No. 239, Near Morai Rly. Crossing, Village Salvav, Via - Vapi-396 191. Gujarat.
CIN: L21010GJ1995PLC025135, Tel: 0260 2437059, Fax: 0260 2437090,
Email: investors@shreeajit.com, Website: www.shreeajit.com

BANKERS

Indian Overseas Bank
State Bank of India
HDFC Bank Limited

SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

AUDITORS

DELOITTE HASKINS & SELLS LLP, Mumbai.

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NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Shree Ajit Pulp And Paper Limited will be held at the Registered office of the Company at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi – 396 191 on Tuesday 29th September 2015 at 11:00 A.M., to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt
 - the audited financial statement of the Company for the year ended 31st March 2015, the auditors' report thereon and the report of the Board of Directors and
 - the audited consolidated financial statement of the Company for the year ended 31st March 2015 and the auditors' report thereon.
- To declare a dividend for the year 2014-2015.
- To appoint a Director in place of Mr. Dhansukhlal G. Shah who retires by rotation and being eligible offers himself for re-appointment.
- To appoint Auditors to hold office from the conclusion of the 20th Annual General Meeting till the conclusion of the 21st Annual General Meeting and to fix their remuneration.
M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration Number-117366W/W- 100018) the retiring Auditors being eligible, have offered themselves for re-appointment.

SPECIAL BUSINESS :

- To consider and if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution :
RESOLVED THAT Mrs. Bela Gautam Shah, (DIN: 01044910) who was appointed by the Board of Directors as an Additional Director and Woman Director with effect from 7th February, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act 2013 and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.
- To appoint Mrs. Bela Gautam Shah (DIN: 01044910) as Executive Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mrs. Bela Gautam Shah as Executive Director of the Company for a period of 5 (five) years with effect from 7th February 2015 made by the Board on 7th February 2015, on the term and conditions including remuneration as set out in the explanatory statement annexed to this notice.
FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mrs. Bela Gautam Shah from time to time within the limits specified under schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.
FURTHER RESOLVED THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.
- To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :
To re-appoint Mr. Gautam D. Shah (DIN: 00397319) as Managing Director and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Gautam D. Shah as Managing Director of the Company for a period of 5 (five) years with effect from 1st July 2015 made by the Board on 28th May 2015, on the term and conditions including remuneration as set out in the explanatory statement annexed to this notice.
FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mr. Gautam D. Shah from time to time within the limits specified under schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.
FURTHER RESOLVED THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

Place : Vapi
Date : 28th May, 2015
Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi- 396 191.
CIN: L21010GJ1995PLC025135
Tel: 260 2437059, Fax: 260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE IN HIS STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIP ATTACHED HEREWITH DULY FILLED AND SIGNED, IN ACCORDANCE WITH SPECIMEN SIGNATURES REGISTERED WITH THE COMPANY TO ATTEND THE MEETING.

A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc, must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company.

2. The Printed copy of the Balance Sheet, the Directors' Report and the Auditors' Report is sent herewith.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 22/09/2015 to 29/09/2015 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 29/09/2015. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 21/09/2015 as per the details furnished by the Depositories for this purpose.
4. The dividend, if any, declared at the Annual General Meeting will be payable on or after 20/10/2015.
5. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc. to their Depository Participants only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participants will be automatically reflected in the Company's records and the Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. Link Intime India Private Limited or the Company Secretary of the Company, which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the members.
6. The shares of the Company are included in the list for trading in compulsory demat segment w.e.f. 27th February 2001. The Company has entered into agreements with National Securities Depository Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) so as to provide facility to the shareholders for transactions under demat segment.
7. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio.
8. It will be appreciated if queries if any on Accounts of the Company are sent to the Company ten days in advance of the meeting so that the answers may be made available at the meeting.
9. Members are requested to bring their copy of the Annual Report at the meeting along with attendance slip.
10. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
11. Members wishing to claim dividend, which remain unclaimed, are requested to correspond with the Registrar and Transfer Agent i.e. M/s Link Intime India Private Limited or the Company Secretary of the Company. Members are requested to note that dividends not claimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the Section 205C of the Companies Act, 1956, be transferred to Investor Education and Protection Fund.

Members who have neither received nor encashed their dividend warrant(s) for the financial years ended March 31, 2008 upto March 31, 2014, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

12. Voting through electronic means:-

In compliance with the provisions of Section 107 and 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and in further pursuance to the revised Clause 35B of the Listing Agreement vide Circular No. CFD/ Policy Cell/ 2/ 2014 dated 17th April, 2014 issued by the Securities and Exchange Board of India, the Company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting by electronic means and business may be transacted through E-Voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the E-voting facility and a member may avail of the facility at his/her discretions, subject to compliance with the instruction for E-Voting given below.

In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company may order a poll on his own motion in terms of Section 109 of the Companies Act, 2013 for the businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting.

13. I The instructions for members for voting electronically are as under:-

A In case of members receiving e-mail :

- (i) The voting period begins on 26th September, 2015 (9.00 AM) and ends on 28th September, 2015 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Shree Ajit Pulp and Paper Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID For CDSL: 16 Digits beneficiary ID, For NSDL: 8 Character DP ID Followed by 8 Digit Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification Code as displayed and Click Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "Shree Ajit Pulp and Paper Limited".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B In case of members receiving the physical copy:

- (i) The voting period begins on 26th September, 2015 (9.00 AM) and ends on 28th September, 2015 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Please follow all steps from sl. no. (ii) to sl. no. (xviii) above to cast vote.
 - (iii) In case you have any queries or issues regarding E-voting, you may refer the frequently asked questions ("FAQs") and E-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2015.
 - III. Mr. Venilal C. Khambhata, Practicing Company Secretary (CP No. 6177), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - IV. The scrutinizer shall within a period not exceeding 3 (three) working days from the date of conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Annual General Meeting.
 - V. The result declared along with the scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 2 business days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges, where the shares of the Company are listed.
 - VI. Notice of the Meeting is also displayed at www.shreeajit.com.

Statement Pursuant to Section 102 (1) of the Companies Act, 2013.

The following statement sets out all material facts relating to the special business mentioned in the accompanying notice.

Item 5 & 6 :

The Board of Directors appointed Mrs. Bela Gautam Shah as Additional Director and Woman Director with effect from 7th February, 2015. The Board has also appointed her as Executive Director with effect from the same date for a period of five years, on the terms and conditions of the appointment and remuneration as stated below, subject to the approval of the members.

As per the provisions of Section 161(1) of the Act, she holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the company and is eligible for appointment as Director. The Company has received a notice under section 160 of the Act proposing her candidature for the office of the Director of the company along with the requisite deposit.

A brief profile of Mrs. Bela Gautam Shah is given below.

Mrs. Bela Gautam Shah is a member of the promoter group of the Company. She is a Bachelor degree in Science with mathematics and has wide experience and expertise in the field of business and finance.

The main terms and conditions of appointment of Mrs. Bela Gautam Shah are given below:-

1. Period of Appointment: - 5 years from 7th February 2015 to 6th February 2020.
2. The appointment may be terminated by either party by giving 6 (six) months notice in writing to the other party.
3. The appointment is subject to retirement by rotation.
4. Functions:-
 - (a) Strategic Planning for Expansion/Diversification of Company's Business.
 - (b) General and Commercial Administration.
 - (c) Such other duties as shall be entrusted to her by the Board from time to time subject to the superintendence, guidance and control of the Board of the Directors.

5. Remuneration :

A. Salary :

- (i) ₹ 3,50,000/- (₹ Three Lacs Fifty Thousand) per month inclusive of all allowances.
- (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- (iii) Encashment of un-enjoyed leave at the end of tenure in accordance with the rules applicable to the senior personnel of the Company.

B. Commission :

Commission on the net profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to performance of the Company, which, including the remuneration mentioned in 5A above, shall not exceed 5% of the net profit of the Company in any one year.

In the event of absence or inadequacy of profit in any year, the remuneration mentioned in 5A above shall be paid as minimum remuneration.

6. In the event of cessation of office during any financial year, ratable proportion of the aforesaid remuneration shall be payable by the Company.
 7. The Executive Director shall be entitled to re-imbursment of actual expenses incurred by her in connection with the business of the Company.
 8. In the event of any dispute or difference arising out of the above agreement between the parties, such dispute or difference shall be referred to arbitration in accordance with the provisions of the Arbitration and Conciliation Act 1996 or any statutory modification or substitution thereof and all the provisions of that Act so far as are applicable or any of them for the time being in force shall apply to every reference thereof.
- No other directors of the company except Mrs. Bela Gautam Shah and her relatives Mr. Gautam D. Shah and Mr.Dhansukhlal G. Shah are interested or concerned in the proposed resolution.

Item 7:

At the meeting held on 28th May, 2015, the Board of Directors of the Company have re-appointed Mr. Gautam D. Shah (DIN: 00397319) as Managing Director for a period of five years with effect from 01/07/2015. The terms and conditions of the appointment and remuneration are stated here under in brief.

Terms & Conditions :

1. The Managing Director shall be responsible for the day to day Management of the affairs of the Company subject to superintendence, control and directions of the Board of Directors of the Company.
2. The Managing Director shall carry out such functions as entrusted to him by the Board from time to time.
3. The appointment is non-rotational.
4. The remuneration payable to the Managing Director is as under:-

A. Salary :

- i) Salary ₹ 5,00,000/- (₹ Five Lacs) per month inclusive of all allowances benefits and perquisites.
- ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- iii) Encashment of unenjoyed leave at the end of tenure in accordance with the rules applicable to the senior personnel of the Company.

B. Commission :

Commission on the Net Profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to the performance of the Company which, including the remuneration as mentioned in 4 A above, shall not exceed 5% of the Net Profits of the Company in any one year.

In the event of absence or inadequacy of profits in any year, the Managing Director shall be paid minimum remuneration in accordance with schedule V of the Companies Act, 2013, as under :

- i) Salary ₹ 3,50,000/- (₹ Three Lac Fifty Thousand) per month inclusive of all allowances benefits and perquisites.
 - ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - iii) Encashment of unenjoyed leave at the end of tenure in accordance with the rules applicable to the senior personnel of the Company.
5. In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
 6. Either party shall be entitled to terminate the appointment by giving 6 (six) months advance notice to the other.
 7. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the company.
 8. In the event of any dispute or difference arising out of the above agreement between the parties, such dispute or difference shall be referred to arbitration and Conciliation Act 1996 or any statutory modification or substitution thereof and all the provisions of that Act so far as are applicable or any of them for the time being in force shall apply to every reference thereof.

No other directors of the company except Mr. Gautam D. Shah and his relatives Mr.Dhansukhlal G. Shah and Mrs. Bela Gautam Shah are interested or concerned in the proposed resolution.

Place : Vapi
Date : 28th May, 2015
Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi- 396 191.
CIN: L21010GJ1995PLC025135
Tel: 260 2437059, Fax: 260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director

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DIRECTORS' REPORT

TO THE MEMBERS:

Your Directors have pleasure in presenting their Twentieth Annual Report and the Audited Financial Statement for the year ended on 31st March 2015, together with the Auditors' Report thereon.

Financial Results:

Particulars	(₹ In Lacs)	
	Current Year Ended 31-03-2015	Previous Year Ended 31-03-2014
Gross Sales/ Income from operations (Including Excise Duty and Sales Tax)	20679.96	20748.83
Other Income	8.39	5.52
Total Expenditure	(18740.99)	(18200.60)
Interest	(448.28)	(311.56)
Gross Profit after interest but before depreciation and taxation	1499.08	2242.19
Depreciation	(510.86)	(453.01)
Provision for Taxation	(61.81)	(319.08)
Deferred Tax Provision	(214.29)	(252.44)
Net Profit	712.12	1217.66
Balance brought forward from previous year	6366.51	5180.19
Less: Additional Depreciation (net of taxes) pursuant to enactment of Schedule II of the Companies Act, 2013	21.25	0
Amount Available for Appropriation	7057.38	6397.85
Appropriations:		
Proposed Dividend (Including Tax)	32.24	31.34
Balance carried to Balance Sheet	7025.14	6366.51

Dividend:

Your Directors have pleasure in recommending a modest dividend of 5%, i.e. ₹ 0.50 per Equity Share on 5356700 Equity Shares of ₹ 10/- each for the year 2014-2015.

Management Discussion and Analysis:

Attached report on Management Discussion and Analysis, which is forming part of this report, adequately deals with the operations as also current and future outlook of the Company.

Corporate Governance:

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, a separate report titled Corporate Governance is attached to this Annual Report.

Finance:

The Company has successfully negotiated during the month of March, 2015 a term loan of ₹ 10.20 crores with Company's banker for part financing of modernization and up-gradation of plant and machinery of the existing plant and various factory civil construction work and ₹ 2.25 crores for part financing machinery and equipments of co-generation plant due to cost escalation. The documents have since been executed and drawing of amount commenced in April, 2015.

The repayment of due loan installments and interest payment is being regularly done.

Subsidiary Company, Joint Venture and Consolidated Financial Statements:

The Company's subsidiary Shree Samrudhi Industrial Papers Pvt Ltd. has not yet commenced any business.

The Board of Directors of Shree Samarpan Pulp and Paper Pvt Ltd, a joint venture company vide their Board Resolution dated 26th July, 2014, have decided to dissolve the said joint venture entity. Consequently, the Company has written off its investment of ₹ 1.00 lac in the said Company.

As required by section 129 (3) of the Companies Act, 2013 and the listing agreements with Stock Exchanges, the Consolidated Financial Statements for the year ended on 31st March, 2015 have been prepared in accordance with the relevant accounting standards as prescribed under section 133 of the Companies Act, 2013 and the Auditors report there on are attached.

As required by first proviso of section 129 (3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules 2014, the statement containing the salient features of the financial statements of the Company's subsidiary (Shree Samrudhi Industrial Papers Pvt Ltd.) and joint venture (Shree Samrat Pulp and Paper Pvt Ltd), in form AOC 1 is also attached.

Shareholders interested in obtaining a copy of the audited annual financial statements of the subsidiary company may write to the Company.

Directors:

Mr. Dhansukhlal G Shah (DIN: 00377970) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Mr. Ghanshyamkumar G. Dobariya (PAN: AQHPD5222E) was appointed as Company Secretary with effect from 2nd June, 2014.

Mr. Piyush R. Shah ceased as Marketing Director of the Company with effect from 22nd January, 2015 due to death. The Board places on record its appreciation of the valuable services rendered by him during his long tenure as Marketing Director of the Company.

Mr. Darshak B. Shah (DIN:00098897) was appointed as Independent Director of the Company at the 19th Annual General Meeting held on 29th September, 2014 to hold office for 5 years till 31st March, 2019.

Your Directors have appointed Mrs. Bela Gautam Shah (DIN: 01044910) as Additional Director and Woman Director as required by second proviso of section 149 (1) (b) of the Companies Act, 2013 with effect from 7th February, 2015. Mrs. Bela G. Shah was also appointed as Executive Director with effect from the said date for the period of 5 (five) years. The necessary resolution for approval of her appointment and payment of remuneration to her is being placed at the ensuing Annual General Meeting for your consideration.

Your Directors have reappointed Mr. Gautam D. Shah (DIN: 00397319) as Managing Director for a further period of 5 (five) years with effect from 1st July, 2015 and necessary resolution for approval of re-appointment and payment of remuneration to him is being placed before the Annual General Meeting for your consideration.

Extract of the Annual Return:

An extract of the Annual Return in Form MGT-9 for the year ended on 31st March, 2015 pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 is annexed with this report.

Directors' Responsibility Statement:

In accordance with section 134(5) of the Companies Act, 2013 your Board of Directors confirms that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statement on declaration given by Independent Directors u/s. 149(6) :

Every Independent Director has given declaration that he meets the criteria of independence as provided in section 149 (6) of the Companies Act, 2013 and Schedule IV of the Companies Act, 2013 and clause 49 of the Listing Agreement.

Company's policy on directors' appointment and remuneration including criteria for determining qualification:

The Nomination and Remuneration Committee identifies potential candidates for appointments of Directors/ Independent Directors/ Key Managerial Personnel based on expertise and experience. The Committee also ensures that the remuneration is sufficient to attract, retain and motivate best managerial talents.

Particulars of Contract or arrangement regarding related party u/s. 188:

During the Financial Year 2014-15 the Company has not entered into any contract or arrangement with related party under section 188 of the Companies Act, 2013. The policy on materiality of related party transaction is placed on website of the Company.

Material Changes and Commitment affecting Financial Position of the Company:

There are no material changes and commitments affecting the financial position of the Company which has occurred between end of the financial year of the Company and the date of directors' report.

Conservation of energy, technology absorption and foreign exchange earning and outgoes :

The relevant data is given as an annexure to this report.

CSR Committee and Implementation of CSR Projects:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules 2014 and Schedule VII, a Corporate Social Responsibility (CSR) Committee of the Board has been constituted comprising of the Managing Director and two independent Directors. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Annual Report for the year 2014-15 on CSR activities is annexed with this report. The detailed CSR policy is placed on the website of the Company.

Establishment of Vigil Mechanism:

The Company has established a vigil mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct and ethics of the Company. It provides for adequate safeguard against the victimization of employees who avail the mechanism and are allowed direct access to the Chairman of the Audit Committee and Ethics Councilor of the Company. The whistle blower policy is placed on the website of the Company.

Formal annual evaluation of the Board of Directors:

Evaluation of Non-Independent Director:

The body of independent directors of the Company reviews the roles, responsibilities and performance of the non independent directors. The body of independent directors evaluate that all the non independent directors have played their roles well and spent sufficient time in the Company to perform their duties.

Evaluation of Independent Directors:

The Board follows the criteria of independent directors contained in the Companies Act, 2013 and Schedule IV and clause 49 of Listing Agreement to ensure that all Independent Directors are independent and are persons of integrity and possess relevant expertise and experience and have no relationship of any kind with the Company, its Group or its Management.

Particulars of Remuneration :

The information required under Section 197 of the Companies Act, 2013 and Rules made there under, in respect of employees of the Company is as follows :

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year :

Director's Name	Ratio to median remuneration
Mr. Gautam D. Shah	42.54
Mr. Piyush R. Shah	1.96
Mrs. Bela G. Shah	6.18
Mr. Dhansukhlal G. Shah	0.28
Mr. Laxminarayan J. Garg	0.49
Mr. Mitesh M. Mehta	0.24
Mr. Darshak B. Shah	0.28

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Director's/CFO/CEO/CS/Manager name	% increase in the remuneration
Mr. Gautam D. Shah	(44%)
Mr. Piyush R. Shah *	153%
Mrs. Bela G. Shah **	N.A.
Mr. Dhansukhlal G. Shah **	N.A.
Mr. Laxminarayan J. Garg **	N.A.
Mr. Mitesh M. Mehta **	N.A.
Mr. Darshak B. Shah **	N.A.
Mr. G. G. Dobariya, Company Secretary **	N.A.

Percentage in bracket represents negative percentage

Note: * part of the year only and ** payment commenced during the current year, hence it is not comparable with previous year.

- (iii) The Percentage increase in the median remuneration of employees in the financial year : 16.69%
- (iv) The number of permanent employees on the rolls of the company : 273
- (v) The explanation on the relationship between average increase in remuneration and the company performance :
On an average employee received an increase of 6.04%. The increase in remuneration is in line with the market trends, industry benchmark and many other factors. In order to ensure that remuneration reflects Company performance, the performance pay is linked to organization performances.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :

Particulars	(₹ in lacs)
Remuneration of Key Managerial Personnel during financial year 2014 - 15 (aggregated)	67.91
Revenue from operations	20679.96
Remuneration (as % of revenue)	0.33%
Profit before tax (PBT)	988.22
Remuneration (as % of PBT)	6.87%

- (vii) Variation in the market capitalization and price earnings ratio as at the closing date of current financial year and previous financial year of the Company :

Particulars	As at 31st March, 2015	As at 31st March, 2014	Variation
Closing rate of per share at BSE (₹)	80.00	45.00	77.78%
Earnings per share (₹)	13.29	22.73	(41.53%)
Market Capitalization (₹ in lacs)	4285.36	2410.52	77.78%
Price earnings ratio	6	2	200%

Percentage in bracket represents negative percentage

- (viii) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :
The average increase in salaries of employees other than managerial personnel in 2014-15 was 13.53%. Percentage decrease in the managerial remuneration for the year was 27.29%. KMP salary increase is decided based on the Company's performance.
- (ix) Comparison of remuneration of each key managerial personnel against the performance of the Company :

Particulars	(₹ in lacs)			
	CMD & CFO	Executive Director	Marketing Director	C S
Remuneration	52.59	7.64	2.43	5.25
Revenue	20679.96	20679.96	20679.96	20679.96
Remuneration (as % of revenue)	0.25%	0.04%	0.01%	0.03%
Profit before tax (PBT)	988.22	988.22	988.22	988.22
Remuneration (as % of PBT)	5.32%	0.77%	0.25%	0.53%

- (x) The key parameter for any variable component of remuneration availed by the directors; Only CMD and Executive Director are given variable component which is decided based on Company's performance.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : NIL
- (xii) Affirmation that the remuneration is as per the remuneration policy of the Company : YES

Risk Management :

The Company is addressing various risks impacting the paper industry. Some of the risks to which the Company is exposed are as under.

Financial Risks :

The Company's policy is to actively manage its foreign exchange risks.

Commodity price risks :

The Company proactively manages risks of price fluctuation of raw materials through forward booking and inventory management. The Company's reputation for quality product mitigates the impact of price risk on finished goods.

Regulatory risks :

The Company is exposed to risks attached to various statutes and regulations. The Company is mitigating these risks through regular review of legal compliance carried out from time to time.

Human resources risks:

Retaining the existing talents and attracting new talents are major risks. These risks are mitigated by regular interaction with concerned employees and providing congenial working conditions.

Disclosure under Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013 :

There was no complaint received from any woman employee during the financial year 2014-15 and hence no complaint is outstanding as on 31st March, 2015 for redressal.

Public Deposit :

The company has not accepted any deposit from the public within the meaning of chapter V of the Companies Act 2013, and rules there under.

Auditors:

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not require further explanation.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Firm Registration Number- 117366W/W-100018), the Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment for the year 2015-2016. You are requested to appoint them as Auditors of the Company for the year 2015-2016 and to fix their remuneration.

Secretarial Audit Report :

Pursuant to Section 204 of Companies Act 2013, your Company had appointed Mr. V. C. Khambhata, Practising Company Secretary (CP No. 6177) as Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2014-15. The report of Secretarial Auditor is annexed with this report.

Acknowledgment :

The Board wishes to express its appreciation to the Bankers, Shareholders, Customers, Suppliers and Employees of the Company for their support during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Vapi
Date : 28th May 2015

Gautam D. Shah
Chairman and Managing Director

Bela G. Shah
Executive Director

ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	Corporate Identification Number (CIN)	L21010GJ1995PLC025135
ii	Registration Date	23-03-1995
iii	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered office and contact details	Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi – 396191. Tel. No. 0260 2437059 Email id. investors@shreeajit.com
vi	Whether listed company (Yes / No)	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078. Telephone No. 022 25963838 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company
1	Multilayer Testliner & Testliner Paper	17021	98.68%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name And Address of The Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Shree Samrudhi Industrial Papers Private Limited Address:- Office No. 34, IInd Floor, Sahara Market, Silvassa Rd., Vapi 396191.	U21000GJ2010PTC060127	Subsidiary	100%	Section 2(87) of the Companies Act, 2013.
2.	Shree Samrat Pulp and Paper Private Limited Address:-212, Marine Chamber, 43, New Marine Lines, Opp. SNTD College, Mumbai – 400020.	U21093MH2010PTC209843	Associate	50%	Section 2(6) of the Companies Act, 2013.

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of share holders	No. of share held at the beginning of the year				No. of share held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	2904290	--	2904290	54.22	2540790	--	2540790	47.43	(6.79)
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Bank / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):	2904290	--	2904290	54.22	2540790	--	2540790	47.43	(6.79)
(2) Foreign									
a) NRIs-Individual	--	--	--	--	--	--	--	--	--
b) Other-Individual	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Bank / FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):	--	--	--	--	--	--	--	--	--
Total Share Holding of Promoter									
A=(A) (1) + (A) (2)	2904290	--	2904290	54.22	2540790	--	2540790	47.43	(6.79)
B. Public Share Holding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Bank / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Other (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B) (1):	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18272	--	18272	0.34	38530	--	38530	0.72	0.38
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
Individual shareholders holding nominal share capital up to of ₹ 1 Lakh	339022	412400	751422	14.03	349913	390300	740213	13.82	(0.21)
Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1166302	488260	1654562	30.89	1508575	498760	2007335	37.47	6.58
c) Others									
Clearing Members	20632	--	20632	0.39	18244	--	18244	0.34	(0.05)
Non Resident Indian	4022	3500	7522	0.14	8088	3500	11588	0.22	0.08
Sub-Total (B) (2):	1548250	904160	2452410	45.78	1923350	892560	2815910	52.57	6.79
Total Public shareholding (B)=(B)(1)+(B)(2)	1548250	904160	2452410	45.78	1923350	892560	2815910	52.57	6.79
C. Share held by custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	4452540	904160	5356700	100.00	4464140	892560	5356700	100.00	--

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Gautam D. Shah	1064750	19.88	12.58	1064750	19.88	12.58	--
2	Bela G. Shah	385540	7.20	--	385540	7.20	--	--
3	Sureshbhai C. Shah	454000	8.48	--	454000	8.48	--	--
4	Jayantilal M. Shah	435000	8.12	--	435000	8.12	--	--
5	Sunita S. Shah	184200	3.44	--	184200	3.44	--	--
6	Jaywantiben J. Shah	17300	0.32	--	17300	0.32	--	--
7	Piyush R. Shah *	190000	3.55	--	--	--	--	(3.55)
8	Bela Piyush Shah *	173500	3.24	--	--	--	--	(3.24)
	Total	2904290	54.22	12.58	2540790	47.43	12.58	(6.79)

Note: * Due to death of a Director, Shares held by him and his spouse (S. No. 7 and 8 above), are transferred from Promoter category to Public category.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise increase / Decrease in promoters shares holding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc):	There is no change in promoter's share holding during the year under review except as mentioned in item (ii) Shareholding of Promoters above, at S. No.7 and 8. Please refer to note there under.			
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Varun Shah				
	At the beginning of the year	305300	5.70	305300	5.70
	At the end of the year	305300	5.70	305300	5.70
2.	Bharat M. Shah				
	At the beginning of the year	270900	5.06	270900	5.06
	At the end of the year	270900	5.06	270900	5.06
3	Mahesh H. Shah				
	At the beginning of the year	231475	4.32	231475	4.32
	At the end of the year	231475	4.32	231475	4.32
4	Piyush R. Shah *				
	At the beginning of the year	0	0	0	0
	At the end of the year	190000	3.55	190000	3.55

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Bela P. Shah *				
	At the beginning of the year	0	0	0	0
6	At the end of the year	174500	3.26	174500	3.26
	Swetalben M. Shah				
7	At the beginning of the year	142965	2.67	142965	2.67
	At the end of the year	142965	2.67	142965	2.67
8	Varun Shah				
	At the beginning of the year	122400	2.28	122400	2.28
9	At the end of the year	122400	2.28	122400	2.28
	Devashri Shah				
10	At the beginning of the year	121400	2.27	121400	2.27
	At the end of the year	121400	2.27	121400	2.27
11	Chandra C Shah				
	At the beginning of the year	112100	2.09	112100	2.09
12	At the end of the year	112100	2.09	112100	2.09
	Dipak R. Shah				
13	At the beginning of the year	100860	1.88	100860	1.88
	At the end of the year	100860	1.88	100860	1.88

Note: * Due to death of a Director, Shares held by him and his spouse (S. No. 7 and 8 above), are transferred from Promoter category to Public category.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Gautam D. Shah				
	At the beginning of the year	1064750	19.88	1064750	19.88
2.	At the end of the year	1064750	19.88	1064750	19.88
	Mrs. Bela G. Shah				
3.	At the beginning of the year	385540	7.20	385540	7.20
	At the end of the year	385540	7.20	385540	7.20
4.	Mr. Dhansukhlal G. Shah				
	At the beginning of the year	0	0	0	0
5.	At the end of the year	0	0	0	0
	Mr. Laxminarayan J. Garg				
6.	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
7.	Mr. Darshak B. Shah				
	At the beginning of the year	0	0	0	0
8.	At the end of the year	0	0	0	0
	Mr. Mitesh M. Mehta				
9.	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
Shareholding of Key Managerial Personnel					
1	Mr. Ghanshyamkumar G. Dobariya				
	At the beginning of the year	0	0	0	0
2	At the end of the year	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lacs)

	Secured Loans excluding deposit	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3775.15	0	0	3775.15
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6.60	0	0	6.60
Total (i+ii+iii)	3781.75	0	0	3781.75
Change in indebtedness during the financial year				
Addition	372.31	0	0	372.31
Reduction	715.37	0	0	715.37
Net Change	(343.06)	0	0	(343.06)
Indebtedness at the end of the financial year				
i) Principal amount	3432.09	0	0	3432.09
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	5.27	0	0	5.27
Total (i+ii+iii)	3437.36	0	0	3437.36

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Gautam D. Shah CMD	Bela G. Shah WTD (From 07/02/15)	Piyush R. Shah WTD (up to 22/01/15)	
1	Gross Salary				
	(a) As per provisions contained in section 17(1) of the Income-tax Act, 1961	50.00	6.27	2.43	58.70
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961.	0	0	0	0
	(c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961.	2.42	0.68	0	3.10
2	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission				
	As % of profit	0.17	0.69	0	0.86
	Others, specify				
5.	Others, please specify	0	0	0	0
	Total (A)	52.59	7.64	2.43	62.66

B. Remuneration to other directors:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		Laxminarayan J. Garg	Mitesh M. Mehta	Darshak B. Shah	
1.	Independent Director				
	Fee for attending board / committee meetings	0.60	0.30	0.35	1.25
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0.60	0.30	0.35	1.25
2.	Non-executive Directors			Dhansukhlal G. Shah	
	Fee for attending board / committee meetings			0.35	
	Commission			0	
	Others, please specify			0	
	Total (2)			0.35	0.35
	Total (B)=(1+2)				1.60

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Company Secretary G. G. Dobariya	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax, act 1961	5.25	5.25
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	0	0
	(c) Profit in lieu of salary under section 17(3) of the Income tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission As % of Profit Others, specify	0	0
5.	Others, please specify	0	0
	Total	5.25	5.25

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICER IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

ANNEXURE II Form A

Conservation of Energy

A. POWER AND FUEL CONSUMPTION

Form for disclosure of particulars with respect to Conservation of energy

Sr. No.	Particulars	Unit	Current Year 2014-15	Previous Year 2013-14
1	(a) Electricity Purchases	KWH	16169700	20405250
	Total Amount	(₹ In Lacs)	1278.49	1411.44
	Rate per unit	(₹)	7.91	6.92
	*Includes 3837684 units (Previous year 3732213) Generated by Wind Power Projects of the Company			
	(b) Own Generation through Steam Turbine	KWH	7152720	2484400
	Total Amount	(₹ In Lacs)	214.58	98.63
	Rate per unit	(₹)	3.00	3.97
	(c) Total Unit (a+b)	KWH	23322420	22889650
	Total Amount	(₹ In Lacs)	1493.07	1510.07
	Rate per unit	(₹)	6.40	6.60
2	Coal & Lignite (Used in Bolier)	KGS	24931865	23183275
	Total Amount	(₹ In Lacs)	1167.03	1087.36
	Rate per Kg	(₹)	4.68	4.69
3	Other/ Internal Generation/ Wind Power Projects	KWH	4264094	4148015

B. CONSUMPTION PER METRIC TON OF PRODUCTION OF MULTILAYER TESTLINER & TESTLINER PAPER

Sr. No.	Particulars	Unit/MT	Current Year 2014-15	Previous Year 2013-14
1.	Electricity	KWH	343	336
2.	Steam Coal	KGS	367	340

Form B

Technology Absorption

Form of disclosure of particulars with respect to absorption.

I. Research and Development (R & D)

- Specific areas in which R & D carried out by the Company ⇒ None at present.
- Benefits derived as a result of the above R & D ⇒ Does not arise.
- Future plan of action. ⇒ None under consideration at present.
- Expenditure on R & D. ⇒ NIL.

II. Technology absorption, adaptation and innovation:

- Efforts in brief made towards technology absorption, adaptation and innovation ⇒ None.
- Benefits derived as a result of the above efforts. e.g. Product improvement, cost reduction, product development, import substitution etc. ⇒ Does not arise.
- In the case of imported technology (imported during last 5 years reckoned from the beginning of the financial year) following information may be furnished:
 - Technology Imported
 - Year of import
 - Has technology been fully absorbed
 - If not fully absorbed, areas where this has not taken place, reasons thereof and further plans of action ⇒ Not applicable as technology has not been imported.

C. FOREIGN EXCHANGE EARNING AND OUTGO :

- During the year the Company has done one export business transaction.
- Foreign Exchange earned:- (₹ In Lacs) ⇒ 7.52 against Import Raw Material claims.
- Foreign Exchange used:
 - C.I.F. Value of import of Raw material and components, Capital Goods and Advance against capital goods (₹ In Lacs) ⇒ 4737.66
 - Others – For expenses (₹ In Lacs) ⇒ 14.48

ANNEXURE-III CORPORATE SOCIAL RESPONSIBILITY

Composition of CSR Committee:

Mr. Gautam D. Shah, Chairman and Managing Director as Chairman
Mr. Laxminarayan J. Garg, Non Executive Independent Director as Member
Mr. Dhansukhlal G. Shah, Non Executive Director as Member

Average net profit and prescribed CSR expenditure;

Particulars	(₹ in lacs)
Average net profits for last three financial year	1635.34
Prescribed CSR expenditure (2% of the amount as above)	32.71

Details of CSR spent during the financial year 2014-15

Particulars	(₹ in lacs)
Total amount spent during the year	32.71
Amount unspent	Nil

Manner in which the amount spent during the financial year is detailed below;

(₹ in lacs)

Sr. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on project or programs. (2) Overheads.	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency*
1	Contribution to Seth Murlidhar Mansingka Charity Trust for project of Cataract surgery under privileged of operation	Healthcare	Bhilwara Rajasthan	5.25	5.25	5.25	Implementing Agency
2	Contribution to Manav kalyan Trust for Enrichment of Academy contents of mentally challenged children school	Education	Navsari Gujarat	5.11	5.11	5.11	Implementing Agency
3	Contribution to Kaprada Vibhag Charitable Trust for construction and development of school of under privileged of children	Education	Valsad Gujarat	2.51	2.51	2.51	Implementing Agency
4	Contribution to Lions Club of Vapi Udyognagar Charitable Trust for setting up of Blood Component Separation unit	Healthcare	Local Area	19.84	19.84	19.84	Implementing Agency
	Total			32.71	32.71	32.71	

Responsibility Statement

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014, Chairman and Managing Director Mr. Gautam D. Shah, Chairman CSR committee, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and policy of the Company.

Place : Vapi
Date : 28-05-2015

Gautam D. Shah
Chairman (CSR Committee)

ANNEXURE-IV
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shree Ajit Pulp and Paper Limited.
Survey No. 239, Near Morai Railway Crossing,
Village Salvav,
Vapi – 396191.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Ajit Pulp and Paper Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable to the Company during audit period.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable to the Company during audit period.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company during audit period.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable to the Company.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable to the Company during audit period.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable to the Company during audit period.
- (vi) I have relied on the representation made by the Company and its officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given as under.
 - (a) Factories Act, 1948
 - (b) Industries (Development & Regulation) Act, 1951
 - (c) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, Compensation etc.
 - (d) Acts prescribed under Environment and control of pollution
 - (e) Acts prescribed under Environmental protection
 - (f) Acts as prescribed under Direct Tax and Indirect Tax
 - (g) Land Revenue laws of the State
 - (h) Labour Welfare Act of the State
 - (i) Trade Marks Act 1999 & Copy Right Act, 1957

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd., Ahmedabad Stock Exchange Ltd. and Vadodara Stock Exchange Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has not passed any Special Resolution which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place : Vapi
Date : 28th May, 2015

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P.No. 6177

This report is to be read with my letter of even date which is annexed as annexure A and forms an integral part of this report.

To,
The Members,
Shree Ajit Pulp and Paper Limited.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Vapi
Date : 28th May, 2015

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P.No. 6177

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company manufactures Multilayer Testliner and Testliner Paper from 70 to 300 GSM and 16 to 35 BF. This product is mainly used for making Corrugated Boxes, Duplex Cartons, Corrugated small e-fluets etc. as packaging material.

The Company is having two wind mills for total capacity of 2.75 MW in Gujarat State, set up for captive consumption. These are in operation. The Company is having wheeling arrangement with GETCO and DGVCL whereby the set off is given to the Company for generation of electricity from the wind mills.

2. AN OVERVIEW:

The overall performance of the Company during the year under report has been satisfactory in line with general economic conditions in the country. The total income of the Company has slightly decreased by 0.33 % to ₹ 20679.96 lacs during the year from ₹ 20748.83 lacs in the previous year. The Profit before Tax has decreased to ₹ 988.22 lacs from ₹ 1789.17 lacs and the Profit after Tax at ₹ 712.12 lacs as compared to ₹ 1217.66 lacs of the previous year. The profit before tax has decreased by 44.77% and profit after tax has decreased by 41.52%.

3. OVERALL PRODUCTION AND SALES PERFORMANCE:

NAME OF PRODUCT	PRODUCTION (MT)			SALES (MT)		
	2014-15	2013-14	DECREASE %	2014-15	2013-14	INCREASE %
Multilayer Testliner & Testliner Paper	68018	68145	0.19	67729	67424	0.45

4. CURRENT AND FUTURE OUTLOOK:

The company has been constantly upgrading manufacturing facilities for improving production, quality of products and yields.

The Directors expect that there will be reasonable improvement in production, sales turnover and profitability of the Company in the current year.

5. PLANS FOR EXPANSION AND DIVERSIFICATION:

The work on up-gradation and modernization of existing second line of plant has been successfully commissioned in the month of October 2014 and is working satisfactorily. This is expected to contribute to the production and profit during the current year.

The wholly owned subsidiary of the Company, namely Shree Samrudhi Industrial Papers Pvt Ltd has not yet commenced business.

6. OPPORTUNITIES AND THREATS / RISKS AND CONCERNS:

The future of the Paper industry in general and Kraft Paper in particular is linked with the future of world economy. When the economy in general is on the down turn, the demand for Company's products is also likely to fall. On the other hand, when the economy in general is on the up-turn, the demand for the Company's products is likely to increase. The Company is having advantage over most of the other manufacturers as it is professionally managed and its operations are efficient, cost effective and highly competitive.

7. FINANCIAL ANALYSIS:

a) REVENUE:

During the year under review, the revenue has slightly decreased by 0.33 % to ₹ 20679.96 Lacs from ₹ 20748.83 lacs in the previous year. The sales in terms of volume slightly increased by 0.45% compared to previous year. However the profit before tax has declined by 44.77%. on account of increase in input costs, which could not be passed on to the customers fully due to prevailing market conditions.

b) DEBT:

As at 31st March, 2015, the Company's total debt including Term Loans and Working Capital Facilities was ₹ 3437.36 lacs as compared to ₹ 3781.75 lacs in the previous year. The finance cost has increased to ₹ 448.28 lacs during the year under report from ₹ 311.56 lacs during the previous year. The repayment of Term Loan is being done regularly.

c) NET PROFIT:

The Net Profit for the year under review was ₹ 712.12 lacs as compared to ₹ 1217.66 lacs in the previous year. The EPS has decreased to ₹ 13.29 against ₹ 22.73 in the previous year.

d) INTERNAL CONTROL SYSTEMS:

The Company has adequate Internal Control System in place. The Internal Audit is conducted by a reputed Firm of Chartered Accountants specializing in Internal Audits, whose report is placed before the Audit Committee periodically. The Audit Committee closely reviews the progress made on the observations which helps strengthen overall financial control. The details of the Audit Committee Meetings are given under the Corporate Governance Section of this report.

8. INCREASE IN SHAREHOLDER VALUE:

Your Company makes all efforts to adopt the best systems and methods of doing the business, reduce overheads, improve productivity and establish better customer relations with improved quality and effective distribution network. The Company periodically, evaluates the overall business and tries to shift towards value added products. The Company is making sincere efforts to devise better strategy for growth and improving profitability, thereby enhancing shareholder value in the changing market situation.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NO. OF PEOPLE EMPLOYED:

The Company has a team of 31 competent and highly motivated technical and management staff. It has 77 clerical, computer operating and other staff and 165 workmen handling factory operations. There is continuous communication between all levels of employees. The Employer-Employee relations are harmonious and cordial.

ANNEXURE-V

CORPORATE GOVERNANCE

1. Brief Statement of Company's Philosophy on Corporate Governance:

The Company believes in adoption of best Corporate Governance practices. It constantly reviews Corporate Governance practices followed to ensure that they reflect new developments from time to time. It takes feedback into account in its periodic reviews to ensure relevance, effectiveness and responsiveness to the needs of investors and other stakeholders.

2. Composition and Category of Directors, Relationship of Directors with each other and Directorship held in other Companies by the Directors of the Company.

Name of the Director	Category	Relationship with each other	Directorship in other Companies***	No. of Membership(s) / Chairmanship (s) of Board Committee in other Companies
Mr. Gautam D. Shah	Managing Director/ Promoter	Son of Dhansukhlal Shah	Nil	Nil
Mrs. Bela G. Shah *	Executive Director	Wife of Gautam Shah	Nil	Nil
Mr. Piyush R. Shah #	Marketing Director/ Promoter	-----	Nil	Nil
Mr. Dhansukhlal G. Shah	Non Executive/ Promoter	Father of Gautam Shah	Nil	Nil
Mr. Laxminarayan J. Garg	Non-Executive/ Independent	-----	Nil	Nil
Mr. Mitesh M. Mehta	Non-Executive/ Independent	-----	GCM Capital Advisors Ltd	Nil
Mr. Darshak B. Shah **	Non-Executive/ Independent	-----	Nil	Nil

Notes:

* Mrs. Bela G. Shah was appointed as additional Director w.e.f. 7th February, 2015.

** Mr. Darshak B. Shah was appointed as additional Director w.e.f. 11th July, 2014.

Mr. Piyush R. Shah ceased to be a Director due to death w.e.f. 22nd January, 2015.

*** The Directorships, held by the Directors in other companies do not include directorships in private limited Company.

Details of Director seeking reappointment at the Annual General Meeting:

Particulars	Mr. Dhansukhlal G. Shah
Date of Birth	10/05/1936
Date of Appointment	23/03/1995
Qualifications	Intermediate
Expertise in specific functional area	Specializing in Management of Business Undertaking
Directorship held in other Public Companies	Nil
Membership / Chairmanships of committees of other public Companies (Includes only Audit and Shareholders / Investors Grievance Committee)	Nil
Number of Shares held in the Company	Nil

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS HELD DURING THE YEAR AND THE LAST AGM:

Sr No	Name of the Director	ATTENDANCE PARTICULARS	
		NO. OF BOARD MEETING	LAST AGM
1	Mr. Gautam D. Shah	6	Yes
2	Mrs. Bela G. Shah (from 7/02/2015)	0	No
3	Mr. Dhansukhlal G. Shah	6	No
4	Mr. Piyush R. Shah (upto 22/1/2015)	1	No
5	Mr. Laxminarayan J. Garg	6	Yes
6	Mr. Mitesh M. Mehta	3	No
7	Mr. Darshak B. Shah (from 11/7/2014)	3	Yes

NO. OF BOARD OF DIRECTORS MEETINGS HELD, DATES ON WHICH HELD :

Six (6) Board Meetings were held during the year as against the minimum requirement of Four (4) meetings. The dates on which the meetings were held are as follows:

(1) 28th May, 2014 (2) 21st June, 2014 (3) 11th July, 2014 (4) 14th August, 2014 (5) 14th November, 2014 (6) 7th February, 2015

The maximum time gap between any two meetings was not more than 120 days. None of the Directors of the Company was a member of more than 10 committees nor was the Chairman of more than 5 committees across all companies in which he was a Director.

INFORMATION PLACED BEFORE THE BOARD:

All the relevant and necessary information and details are placed before the Board at its meetings, such as productions, sales, capital expenditure, budgets, actual performance statistics, review of business, any legal proceedings by or against the Company, quarterly financial results, minutes of meetings of audit committee and shareholders grievance committee, staff matters, significant labour and human relation matters, financial statements of subsidiary and joint ventures and such other information.

The Board also reviews from time to time the legal compliance report presented by the Managing Director.

CODE OF CONDUCT:

The Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members and senior management personnel have affirmed compliance with the code as on 31st March 2015. This report contains a declaration to this effect signed by the Managing Director.

3. BOARD COMMITTEES:

The Company has the following Standing Committees of the Board:

i) AUDIT COMMITTEE:

The Audit Committee of the Company comprises of four Directors, of which three are independent directors, namely, Mr. Laxminarayan J. Garg – Chairman, Mr. Mitesh M. Mehta, Mr. Darshak B. Shah from 14/08/2014 member and Mr. Gautam D. Shah, Managing Director is the fourth member of the Committee.

The Audit Committee also meets with the requirements of section 177 of the Companies Act, 2013. The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained in clause 49 of the Listing Agreement and section 177 of the Companies Act, 2013, briefly as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment of External Auditors and Internal Auditors, fixation of their Fees and approval for payment for any other services.
- Reviewing with management the Quarterly, Half Yearly and Annual Financial Statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with stock exchanges and legal requirements concerning financial statements and (viii) any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, or relatives etc. that may have potential conflict with the interest of the Company.
- Reviewing with the management and external and internal auditors, the adequacy and compliance of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors on any significant findings and follow-up there of.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

During the year the Audit Committee has met 4 times as against the minimum requirement of 4 meetings. The Statutory Auditors were also invited to attend the Audit Committee meetings.

Attendance of each member of Audit Committee meetings held during the year:

Sr No.	NAME OF MEMBER OF AUDIT COMMITTEE	ATTENDANCE PARTICULARS
1	Mr. Laxminarayan J. Garg	4
2	Mr. Mitesh M. Mehta	2
3	Mr. Darshak B. Shah (from 14/08/2014)	2
4	Mr. Gautam D. Shah	4

ii) NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted the Nomination and Remuneration Committee, comprising of three Directors,

(1) Chairman Mr. Mitesh M. Mehta, Independent Director, (2) Mr. Laxminarayan J. Garg, member, Independent Director, and (3) Mr. Dhansukhlal G. Shah (upto 14/08/2014) member, Non Executive Director, Mr. Darshak B. Shah (from 14/08/2014) member, Independent Director. The Committee recommends remuneration payable to Executive Director and Managing Director, in terms of requirements of schedule V of the Companies Act, 2013.

No remuneration is paid to Non Executive Directors except sitting fees for attending meetings of the Board and Committees.

A statement of remuneration paid to the Executive Director is given below :

Name of Director-Executive	Salary , Perquisites & Commissions (₹ in Lacs)
Mr. Gautam D. Shah -Managing Director	52.59 #
Mr. Piyush R. Shah- Director Marketing (upto 22/1/2015)	2.43
Mrs. Bela G. Shah-Executive Director (from 7/2/2015)	7.64#

includes provision for Gratuity and Leave encashment.

A statement of Sitting fees paid to the Non Executive Directors is given below:

Name of Director-Non Executive	Sitting Fees (₹ in Lacs)
Mr. Dhansukhlal G. Shah	0.35
Mr. Laxminarayan J. Garg	0.60
Mr. Mitesh M. Mehta	0.30
Mr. Darshak B. Shah	0.35

iii) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of Mr. Laxminarayan J. Garg –Chairman, Mr. Dhansukhlal G. Shah, and Mr. Gautam D. Shah, members.

The Committee looks into redressal of Shareholders' complaints like transfer of shares, non-receipt of annual report etc. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for over all improvement in the quality of services.

The Board has designated Mr. Ghanshyamkumar G. Dobariya, Company Secretary as the Compliance officer of the Company.

No. of complaints received during the year	No. of complaints resolved during the year
10	10
No. of transfers received during the year (in physical form)	No. of transfers attended during the year (in physical form)
29	29
No. of demat / remat request received during the year	No. of demat / remat requests attended during the year
14	14

iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board has constituted the Corporate Social Responsibility (CSR) Committee, comprising of three Directors, (1) Chairman Mr. Gautam D. Shah, Chairman and Managing Director, (2) Mr. Laxminarayan J. Garg, member, Non Executive Independent Director, and (3) Mr. Dhansukhlal G. Shah member, Non Executive Director.

4. ANNUAL GENERAL MEETING:

Location and time for last three Annual General Meetings were as follows:

YEAR	LOCATION	DATE	TIME
2011-2012	At Regd. Office at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi- 396191	29/09/2012	11 A.M.
2012-2013	-do-	05/08/2013	11 A.M.
2013-2014	-do-	29/09/2014	11 A.M.

During the year ended 31st March 2015, no resolutions have been passed by the Company's Shareholders through Postal Ballot.

5. DISCLOSURE:

- Disclosures on materially significant related party transactions, i.e.; Transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large: - None of the transactions with any of the Related Parties were in conflict with the interest of the Company.
- Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years: - None.

6. CEO/CFO CERTIFICATION:

The Managing Director who has been designated by the Board as CEO and CFO has certified to the Board Compliance in respect of all matters specified in sub clause V of Clause 49 of the Listing Agreement.

- The Board has already set up Remuneration Committee. The Board does not feel it necessary at this stage to adopt any other non mandatory requirements.

8. MEANS OF COMMUNICATION :

The unaudited quarterly and half yearly results for the periods ended 30th June 2014, 30th September 2014 and 31st December 2014 and audited results for the year ended 31st March 2015 were published in Indian Express (English) Baroda Edition, Financial Express (Gujarati) Ahmedabad Edition and Free Press Journal (English) Mumbai Edition and the said results were put on the Company's website : www.shreeajit.com.

9. GENERAL SHARE HOLDERS' INFORMATION:

- a) ANNUAL GENERAL MEETING:
Date and Time - Tuesday, 29th September, 2015 at 11.00 A. M.
Venue - At Regd. Office of the Company at: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396 191, Dist. Valsad, (Gujarat).
- b) Financial Calendar (tentative)
Results for the quarter ending June 30, 2015 - Second week of August 2015
Results for the quarter / half year ending Sept. 30, 2015 - Second week of November 2015
Results for the quarter ending December 31, 2015 - Second week of February 2016
Results for the year ending March 31, 2016 - Last week of May 2016
Annual General Meeting - Last week of September 2016.
- c) Book Closure Date:
From Tuesday, 22nd September 2015 to Tuesday, 29th September 2015 (Both days inclusive) for Annual General Meeting and payment of dividend.
- d) Dividend Payment Date – 20/10/2015
- e) Listing of Equity Shares on Stock Exchanges:
(i) Bombay Stock Exchange Ltd. -Mumbai
(ii) Ahmedabad Stock Exchange Ltd. – Ahmedabad.
(iii) Regional Stock Exchange - Vadodara Stock Exchange Ltd - Vadodara
Annual Listing Fees for the year 2015-16 have been paid to Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited. The Vadodara Stock Exchange Ltd. has informed the Company that the said Exchange is under the process of compulsory de-recognition and so as per instruction of SEBI, they are not issuing the listing fee bill for the year 2015-16.
- f) (a) Stock Code - Bombay Stock Exchange Ltd. – 538795
- Ahmedabad Stock Exchange Ltd. – 52657/SHREEAJITP
- Vadodara Stock Exchange Ltd. – 600252
(b) Demat ISIN Nos. - In NSDL and CDSL – INE185C01017
- g) Market Price Data: (in ₹ per share):
High and Low prices of the Company's Shares on BSE with corresponding BSE Sensex.

YEAR	High		Low	
	Shree Ajit Pulp and Paper Ltd. Price (₹)	BSE Sensex	Shree Ajit Pulp and Paper Ltd. Price (₹)	BSE Sensex
April 2014	51.10	22939.31	42.05	22197.51
May 2014	60.30	25375.63	42.00	22277.04
June 2014	70.00	25725.12	43.10	24270.20
July 2014	68.50	26300.17	47.70	24892.00
Aug. 2014	59.00	26674.38	42.20	25232.82
Sept 2014	60.85	27354.99	44.55	26220.49
Oct. 2014	71.50	27894.32	45.00	25910.77
Nov. 2014	86.85	28822.37	60.00	27739.56
Dec. 2014	84.00	28809.64	64.00	26469.42
January 2015	83.25	29844.16	56.00	26776.12
February 2015	111.90	29560.32	58.00	28044.49
March 2015	101.90	30024.74	73.50	27248.45

- h) Registrar and Transfer Agents:
Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W) Mumbai – 400 078
- i) Share Transfer System:
Presently share transfers which are received in physical form are processed and the Share Certificates returned within a period of 21 days from the date of receipt, subject to the documents being valid and complete in all respects.

j) Distribution of Share Holding As on 31/03/2015:

No. of Equity Shares	No. of Shares Held	% To Total Shares	No. of Shareholders	% To Total Shareholders
1 to 500	319838	5.97	945	76.89
501 to 1000	121797	2.27	145	11.80
1001 to 5000	218231	4.08	91	7.40
5001 to 10000	100859	1.88	15	1.22
10001 and above	4595975	85.80	33	2.69
Total	5356700	100.00	1229	100.00

Sr. No.	Category	No. of Shareholders	No. of Shares Held	% To Total Shares
1	Promoters	8	2540790	47.43
2	Public Financial Institutions	0	0	0
3	Bodies Corporate	21	38530	0.72
4	Clearing Member /Market Maker	8	18244	0.34
5	NRI	4	11588	0.22
6	Resident Individuals/HUF	1188	2747548	51.29
	Total	1229	5356700	100

k) Dematerialization of Shares:

As on 31st March, 2015, 628 Shareholders were holding 4464140 Equity Shares in Demat form, which constitutes 83.34% of the total share capital of the Company.

Liquidity: The Company's shares are regularly traded on the Bombay Stock Exchange Limited

l) Plant Location: Survey No. 239, Village Salvav, Survey No. 105/P,106 /107 & 108/P Morai, Near Morai Rly. Crossing, Via-Vapi - 396191

Wind Mill 1.50 MW: Village Bagasara, Taluka Maliya Miyana, Dist Rajkot, Gujarat

Wind Mill 1.25MW: Village Murvel, Taluka Dwarka, Dist Jamnagar, Gujarat

m) Address for correspondence:

For transfer / dematerialization of shares:

For shares held in physical form:

Link Intime India Pvt. Ltd. C-13 Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai-400 078.

For shares held in demat form: To the Depository Participants

For any query on Annual Report/ Payment of Dividend etc.

To the Secretarial Dept.

Shree Ajit Pulp And Paper Limited, Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi-396191.

n) Buy-back of shares: The Company has not proposed buy-back of shares during the year.

o) Unclaimed Dividend: In terms of section 205 C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, to the Investor Education and Protection Fund (IEPF). Till the unpaid amount is transferred to IEPF, a shareholder can claim the amount of dividend from the Company. The position of unclaimed dividend is as under:

Financial year ended	Date of declaration of dividend	Last date for claiming unpaid dividend from Company
31/03/2008	29/09/2008	28/09/2015
31/03/2009	29/09/2009	28/09/2016
31/03/2010	17/08/2010	16/08/2017
31/03/2011	29/09/2011	28/09/2018
31/03/2012	29/09/2012	28/09/2019
31/03/2013	05/08/2013	04/08/2020
31/03/2014	29/09/2014	28/09/2021

CEO / CFO Certificate under Clause 49 (V)

To,
The Board of Directors,
Shree Ajit Pulp and Paper Limited

1. We have reviewed financial statements and the cash flow statement of Shree Ajit Pulp and Paper Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Place : Vapi
Date : May 28, 2015

Gautam D Shah
Chief Financial Officer / Chairman and Managing Director

DECLARATION ON CODE OF CONDUCT

As required by clause 49 (1) (D) of the Listing Agreement, it is hereby affirmed that all the Board Members and Senior Management Personnel have complied with Code of Conduct as on 31st March 2015.

Place : Vapi
Date : May 28, 2015

Gautam D Shah
Chairman and Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors,
Shree Ajit Pulp and Paper Limited

I have examined the compliance of conditions of Corporate Governance by Shree Ajit Pulp And Paper Limited, for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Vapi
Date : 28th May, 2015

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P.No. 6177

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREE AJIT PULP AND PAPER LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Shree Ajit Pulp and Paper Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place : Vapi
Date : 28th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
2. In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year. Accordingly, paragraph (v) of the Order is not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (c) Details of dues which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved* (₹)
The Customs Act, 1962	Custom Duty	Commissioner Custom (Appeals)	April 2011-March 2013	5,389,349 /-
The Customs Act, 1962	Custom Duty	CESTAT	April 2011-March 2012	581,141/-

(* net of ₹ 236,963/- being amount deposited under protest)

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
8. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
 9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
 10. According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
 11. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
 12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place : Vapi
Date : 28th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	5,35,67,000	5,35,67,000
(b) Reserves and Surplus	3	70,25,13,828	63,66,51,472
		75,60,80,828	69,02,18,472
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	9,04,08,768	13,47,26,123
(b) Deferred Tax Liabilities (Net)	5	15,18,39,543	13,15,04,817
(c) Long-term Provisions	6	58,91,695	42,76,874
		24,81,40,006	27,05,07,814
(3) Current Liabilities			
(a) Short-term Borrowings	7	19,47,25,380	17,19,69,349
(b) Trade Payables	8	12,30,11,372	9,68,98,959
(c) Other Current Liabilities	9	9,01,82,710	11,35,31,396
(d) Short-term Provisions	10	54,43,003	1,43,85,585
		41,33,62,465	39,67,85,289
TOTAL		1,41,75,83,299	1,35,75,11,575
B ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	85,40,46,165	82,61,37,884
(ii) Intangible Assets	11	3,03,496	2,77,359
(iii) Capital Work-in-progress	11	78,52,238	2,61,17,300
		86,22,01,899	85,25,32,543
(b) Non-current Investments	12	4,45,67,500	3,41,67,500
(c) Long-term Loans and Advances	13	3,72,14,260	2,52,21,136
		8,17,81,760	5,93,88,636
(2) Current Assets			
(a) Inventories	14	19,52,36,562	14,46,49,004
(b) Trade Receivables	15	24,78,69,653	25,88,03,705
(c) Cash and Cash Equivalents	16	52,91,451	1,13,81,641
(d) Short-term Loans and Advances	17	2,47,66,528	2,81,68,454
(e) Other Current Assets	18	4,35,446	25,87,592
		47,35,99,640	44,55,90,396
TOTAL		1,41,75,83,299	1,35,75,11,575
See accompanying notes forming part of the financial statements		1-35	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

Place : Vapi
Date : 28th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 ST MARCH 2015

Particulars	Note No.	₹ For the Year Ended 31 March, 2015	₹ For the Year Ended 31 March, 2014
INCOME			
1 Revenue from Operations (Gross)	19	2,01,02,25,597	2,02,08,53,927
Less: Excise Duty		(12,21,97,246)	(12,31,11,892)
Revenue from Operation (Net)		1,88,80,28,351	1,89,77,42,035
2 Other Income	20	8,38,870	5,52,172
3 Total Revenue (1+2)		1,88,88,67,221	1,89,82,94,207
EXPENSES			
a) Cost of Materials Consumed	21	1,22,26,79,654	1,21,12,34,425
b) Changes in Inventories of Finished Goods and Work-in-progress	22	(59,03,631)	(2,24,13,398)
c) Employee Benefits Expense	23	8,90,34,385	8,23,38,995
d) Finance Costs	24	4,48,28,482	3,11,56,178
e) Depreciation and Amortisation Expense	11	5,10,85,476	4,53,01,405
f) Other Expenses	25	38,83,21,295	37,17,59,268
Total Expenses (a+b+c+d+e+f)		1,79,00,45,661	1,71,93,76,873
5 Profit Before Tax (3-4)		9,88,21,560	17,89,17,334
Tax Expense/(Benefit)			
a) Current Tax Expense		2,08,49,490	3,75,96,142
b) Less : Mat Credit		(1,46,79,039)	(1,14,87,457)
c) Tax Adjustments for Prior Years		10,178	57,99,285
Net Current Tax Expense		61,80,629	3,19,07,970
d) Deferred Tax			
i) Current year		2,14,29,289	3,82,57,099
ii) Prior year (Refer Note 5.1)		-	(1,30,13,580)
Net Deferred Tax		2,14,29,289	2,52,43,519
Net Tax Expense		2,76,09,918	5,71,51,489
7 Profit for the year (5-6)		7,12,11,642	12,17,65,845
7.1 Earning per share of ₹ 10/- each (Basic and Diluted)	29	13.29	22.73
See accompanying notes forming part of the financial statements		1-35	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 28th May, 2015

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

Cash Flow Statement for the year ended 31 March, 2015

Particulars	₹ For the Year Ended 31 March, 2015	₹ For the Year Ended 31 March, 2014
A. Cash flow from operating activities		
Profit before tax as per statement of profit and loss	9,88,21,560	17,89,17,334
Adjustments for :		
Depreciation and amortisation	5,10,85,476	4,53,01,405
Loss on sale of assets (net)	64,000	3,67,133
Finance costs	4,48,28,482	3,11,56,178
Interest income	(4,14,875)	(4,40,055)
Dividend income	(7,515)	(22,315)
Unrealised Exchange (gain)	(72,542)	-
Provision for diminution in value of long-term investment	-	4,071
Investment written off	1,00,000	-
Sundry balance written back	(4,16,480)	(89,802)
Operating profit before working capital changes	19,39,88,106	25,51,93,949
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(5,05,87,558)	12,43,075
Trade receivables	1,09,34,052	(3,42,19,781)
Short-term loans and advances	34,05,635	(1,14,45,002)
Long-term loans and advances	20,87,593	(12,57,238)
Other current assets	14,56,558	(18,39,164)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,65,61,509	(31,52,379)
Other current liabilities	(95,32,890)	37,75,076
Short-term provisions	1,94,874	77,759
Long-term provisions	16,14,821	(17,85,248)
Cash generated from operations	18,01,22,700	20,65,91,047
Net income tax (paid) / refunds	(3,00,54,635)	(3,65,37,533)
Net cash flow from operating activities (A)	15,00,68,065	17,00,53,514
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(6,49,69,635)	(16,52,81,675)
Proceeds from sale of fixed assets	5,93,858	4,80,725
Purchase of long-term investments in Joint Venture	(1,05,00,000)	(90,00,000)
Bank balance not considered as cash and cash equivalents	(78,488)	40,16,388
Interest received	8,76,499	13,26,295
Dividend received	7,515	22,315
Net cash flow (used in) investing activities (B)	(7,40,70,251)	(16,84,35,952)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	1,44,74,686	8,20,61,458
Repayment of long-term borrowings	(7,15,36,612)	(10,59,11,733)
Short-term borrowings(net)	2,27,56,031	5,49,98,746
Finance costs	(4,47,27,061)	(3,12,97,215)
Dividends paid	(26,78,350)	(26,43,881)
Tax on dividend	(4,55,186)	(4,55,186)
Net cash flow (used in) financing activities (C)	(8,21,66,492)	(32,47,811)
Net decrease in Cash and cash equivalents (A+B+C)	(61,68,678)	(16,30,249)
Cash and cash equivalents at the beginning of the year	64,27,268	80,57,517
Cash and cash equivalents at the end of the year *	2,58,590	64,27,268
* Comprises: @		
(a) Cash on hand	1,06,191	1,23,350
(b) Balances with banks In current accounts	1,52,399	63,03,918
Total Cash and cash equivalents	2,58,590	64,27,268

Note1- Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 " Cash Flow Statement".

See accompanying notes forming part of the financial statements (1-35)

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 28th May, 2015

For and on behalf of the Board of Directors

Gautam D Shah Bela G Shah G G Dobariya
CFO & CMD Executive Director Company Secretary

Place : Vapi
Date : 28th May, 2015

Notes forming part of the Financial Statements

Note 1

A. Corporate information:

Shree Ajit Pulp And Paper Ltd ("the company") is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange, Vadodara Stock Exchange and Ahmedabad Stock Exchange. The company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

The company owns and operate manufacturing unit located in the state of Gujarat, India at Morai, Vapi. The unit is having an all modern manufacturing facility.

B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

c) Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

d) Depreciation and amortization (Refer note 11.3)

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortised over the duration of the lease.

Intangible assets are amortised over their estimated useful life.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

e) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers.

Sales include excise duty but exclude sales tax and value added tax.

Income from electricity units generated by windmills is accounted as income from wind mills at landed cost and has been shown as such in the Statement of Profit and Loss.

f) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

g) Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Notes forming part of the Financial Statements

h) Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

i) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

j) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(ii) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

k) Borrowing costs

Borrowing costs include interest, and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Notes forming part of the Financial Statements

l) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Under the primary segment there are two reportable segments viz., Paper and Power generation by Windmills. These were identified considering the nature of the products, the different risks and return.

The Company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

m) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

n) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

o) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

Note : 2 Share Capital

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) AUTHORISED		
1,50,00,000 (1,50,00,000) Equity Shares of ₹ 10 each with voting rights	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000
b) ISSUED		
53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
c) SUBSCRIBED AND FULLY PAID UP		
53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
Total in ₹	5,35,67,000	5,35,67,000

2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of Shares held	Amount in ₹	Number of Shares held	Amount in ₹
Equity Shares at the beginning and at the end of the year	53,56,700	5,35,67,000	53,56,700	5,35,67,000

2.2 Details of Shares held by each shareholder holding more than 5 % shares :

Name of Shareholders	As at 31 March, 2015		As at 31 March, 2014	
	Number of Shares held	% Holding	Number of Shares held	% Holding
Gautam D Shah	10,64,750	19.88%	10,64,750	19.88%
Sureshbhai C Shah	4,54,000	8.48%	4,54,000	8.48%
Jayantilal M Shah	4,35,000	8.12%	4,35,000	8.12%
Bela G Shah	3,85,540	7.20%	3,85,540	7.20%
Varun Shah	3,05,300	5.70%	3,05,300	5.70%
Bharat Mafatlal Shah	2,70,900	5.06%	2,70,900	5.06%

2.3 Terms and Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Further, the Board of Director may also announce an interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

Note : 3 Reserves and Surplus

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Capital Reserve		
Opening and closing balance	12,92,993	12,92,993
b) Surplus in Statement of Profit and Loss		
Opening balance	63,53,58,479	51,67,26,170
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (Refer Note 11.3)	21,25,686	-
Add: Profit for the year	7,12,11,642	12,17,65,845
Less:		
Dividends proposed to be distributed to equity shareholders ₹ 0.50 per share (Previous Year ₹ 0.50 per share)	26,78,350	26,78,350
Tax on Proposed Dividend	5,45,250	4,55,186
Closing Balance	70,12,20,835	63,53,58,479
Total (a+b) in ₹	70,25,13,828	63,66,51,472

Notes forming part of the Financial Statements

Note : 4 Long-term Borrowings

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Secured		
a) Term loans from banks	8,87,37,713	13,47,26,123
b) Other loans	16,71,055	-
Total in ₹	9,04,08,768	13,47,26,123

4.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	₹ Balance as at 31 March, 2015	Start Date of Loan Repayment	Repayment of Installments	No. of Installments Sanctioned (Monthly)	End date of loan repayment
	Term loan					
1	- from bank (Refer note a)	1,67,36,754	January, 2014	8,60,000	60	March,2017
2	- from bank (Refer note a)	1,11,92,269	January, 2014	5,73,333	60	March,2017
3	- from bank (Refer note b)	-	February, 2011	10,83,334	60	January,2016
4	- from bank (Refer note c)	1,88,60,000	March, 2013	8,20,000	60	February, 2018
5	- from bank (Refer note d)	4,12,50,000	October, 2013	13,75,000	60	September,2018
6	-from Bank (Refer note e)	6,98,690	August , 2013	2,36,355	35	June,2016
7	- from NBFC (Refer note e)	16,71,055	August,2014	1,13,050	36	July,2017
8	- current maturities of Long term debts (refer note 9)	5,80,75,021				
		14,84,83,789				

Note a. Term loans are secured by plant and machinery and equitable mortgage on immovable property and hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note b. Term loan of ₹ 1,08,18,004 included in current maturities of long term debts is secured by way of exclusive charge on plant and machinery and building of windmill situated at village Bagasara dist Rajkot and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note c. Term loan is Secured by way of exclusive charge on plant and machinery and building of windmill situated at village Murvel dist Jamnagar and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note d. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note e. Vehicle loan is secured by way of hypothecation of Vehicle.

Note f. All term loans from banks and from others are further secured by way of personal guarantee of Mr. Gautam D Shah Managing Director of the company and bears rate of interest base rate plus 2.90 % to 3.50 %.

Notes forming part of the Financial Statements

Note : 5 Deferred Tax Liabilities (Net)

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	15,54,59,046	13,43,98,928
Deferred Tax Liability (DTL)	15,54,59,046	13,43,98,928
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	(32,20,564)	(24,42,700)
Disallowances under Section 43B of the Income Tax Act, 1961	(2,25,899)	(2,20,619)
Others	(1,73,040)	(2,30,792)
Deferred Tax Assets (DTA)	(36,19,503)	(28,94,111)
Net Deferred Tax Liability in ₹	15,18,39,543	13,15,04,817

5.1 Deferred tax - Prior year ₹ 1,30,13,580 represents reversal of deferred tax liability created in earlier years in respect of timing differences which reversed during the tax holiday period.

Note : 6 Long-term Provisions

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Provision for employee benefits		
i) Provision for gratuity (refer note 10 and 23.2)	28,21,118	20,71,949
ii) Provision for compensated absences (refer note 10 and 23.2)	30,70,577	22,04,925
Total in ₹	58,91,695	42,76,874

Note : 7 Short-term Borrowings

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Secured		
Loan repayable on demand from banks	19,47,25,380	17,19,69,349
Total in ₹	19,47,25,380	17,19,69,349

7.1 Cash Credit is secured by way of hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and plant and machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Managing Director of the Company. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5% to 3.25%.

Note : 8 Trade Payables

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Trade payables	12,30,11,372	9,68,98,959
Total in ₹	12,30,11,372	9,68,98,959

Notes forming part of the Financial Statements

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	10,50,840	19,01,831
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note : 9 Other Current Liabilities

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
(a) Current maturities of long-term borrowings (Refer note 4 and 9.1)	5,80,75,021	7,08,19,592
(b) Interest accrued but not due on borrowings	5,27,091	6,59,634
(c) Unclaimed dividend	7,00,143	6,17,511
(d) Other Payables		
i) Advances from customers	1,05,968	48,27,019
ii) Security deposits received	1,04,000	30,99,000
iii) Payables on purchase of fixed assets	2,62,31,028	2,71,33,493
iv) Statutory remittances		
Tax deducted at source payable	5,03,437	23,89,476
Central sales tax payable	22,56,060	27,48,254
Others (VAT, Excise, Service tax, Provident Fund etc.)	16,79,962	12,37,417
Total in ₹	9,01,82,710	11,35,31,396

9.1 Current maturities of long-term borrowings consist of :

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Term Loans from banks (Secured)	5,69,63,108	6,98,45,892
b) Other loans (Secured)	11,11,913	9,73,700
Total in ₹	5,80,75,021	7,08,19,592

Note : 10 Short Term Provisions

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Provision For Employee Benefits		
Provision for gratuity (refer note 6 and 23.2)	4,19,321	3,66,913
Provision for compensated absences (refer note 6 and 23.2)	14,93,858	13,51,392
b) Provisions- others		
Provision for proposed equity dividend	26,78,350	26,78,350
Provision for tax on proposed dividend	5,45,250	4,55,186
Provision for tax (Net of advance tax of ₹ 2,05,43,266) (Previous year ₹ 3,35,42,243)	3,06,224	95,33,744
Total in ₹	54,43,003	1,43,85,585

SHREE AJIT PULP AND PAPER LIMITED

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Notes forming part of the Financial Statements

Note : 11 Fixed Assets

Particulars	Gross Block			Accumulated depreciation and amortisation				Net Block	
	Balance as at 1 April, 2014	Additions	Deductions/ Disposal	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Transition adjustment surplus balance in statement of Profit and loss (Refer note 11.3)	Deductions/ Disposal for the year	Balance as at 31st March, 2015	Balance as at 31st March, 2015
Tangible Assets									
Land- Freehold	85,01,634	6,98,382	-	92,00,016	-	-	-	92,00,016	
Leasehold Land	85,01,634	-	-	85,01,634	-	-	-	85,01,634	
	30,00,000	-	-	5,09,508	1,50,000	-	-	23,40,492	
	30,00,000	-	-	3,59,508	1,50,000	-	-	24,90,492	
Buildings	9,38,70,387	6,52,514	-	9,45,22,901	62,24,355	12,17,838	-	6,67,48,172	
	8,93,48,194	45,22,193	-	9,38,70,387	27,86,316	-	-	7,35,37,851	
Plant and Equipment	70,46,42,485	7,02,79,379	20,72,329	16,17,15,294	2,44,19,309	1,11,619	14,24,006	58,80,27,318	
	46,91,73,284	23,65,15,951	10,46,750	13,29,45,480	2,90,60,238	-	2,90,424	54,29,27,191	
Windmills	15,23,18,740	-	-	15,23,18,740	67,31,313	-	-	12,00,96,060	
	15,23,18,740	-	-	15,23,18,740	80,42,429	-	-	12,68,27,373	
Electrical Installations	5,88,46,407	48,34,034	-	6,36,80,441	78,67,244	10,51,096	-	4,13,33,324	
	5,00,95,923	87,50,484	-	5,88,46,407	25,47,225	-	-	4,54,17,630	
Furniture & Fixtures	69,96,171	1,48,205	-	71,44,376	6,59,334	86,560	-	46,15,906	
	34,16,329	35,79,842	-	69,96,171	3,94,934	-	-	52,13,595	
Vehicles	1,74,01,715	42,10,950	-	2,16,12,665	26,55,262	-	-	1,56,95,107	
	96,45,643	84,24,358	6,68,286	1,74,01,715	15,16,438	-	5,76,754	1,41,39,419	
Office Equipment	1,14,37,701	19,80,188	33,000	1,33,84,889	43,55,002	7,53,136	23,465	59,89,770	
	81,80,645	32,57,056	-	1,14,37,701	7,53,343	-	-	70,82,699	
SUB TOTAL (A)	1,05,70,15,240	8,28,03,652	21,05,329	1,13,77,13,563	5,10,17,263	32,20,249	14,47,471	85,40,46,165	
Previous Year	79,36,80,392	26,50,49,884	17,15,036	1,05,70,15,240	4,52,50,923	-	8,67,178	82,61,37,884	
Intangible Assets									
Software (acquired)	4,35,994	94,350	-	5,30,344	68,213	-	-	3,03,496	
	1,08,153	3,27,841	-	1,08,153	50,482	-	-	2,77,359	
SUB TOTAL (B)	4,35,994	94,350	-	5,30,344	68,213	-	-	3,03,496	
Previous Year	1,08,153	3,27,841	-	1,08,153	50,482	-	-	2,77,359	
Capital Work in Progress									
SUB TOTAL (C)									
Previous Year									
Total [A + B + C]	1,05,74,51,234	8,28,98,002	21,05,329	1,13,82,43,907	5,10,85,476	32,20,249	14,47,471	86,22,01,899	
Previous Year	79,37,88,545	26,53,77,725	17,15,036	1,05,74,51,234	4,53,01,405	-	8,67,178	85,25,32,543	

11.1 Addition during the year includes ₹ Nil (Previous year ₹83,65,994) on account of interest capitalised on Plant and equipment and ₹ Nil (Previous year ₹7,852) on Building and ₹ 1,74,355 (Previous year ₹ 17,94,445) on account of foreign exchange fluctuation capitalised on Plant and Equipment.

11.2 Previous year figures are shown in Italics.

11.3 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the year ended 31st March, 2015 is lower by ₹ 46,72,209. After considering the transition provision specified in Schedule II ₹ 21,25,686 (net of tax ₹ 10,94,563) has been adjusted to surplus in statement of profit and loss as on 1st April, 2014.

Notes forming part of the Financial Statements

Note : 12 Non-current Investments (At cost, unless otherwise stated)

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A Trade (Unquoted)		
a) In Equity Shares of Subsidiary Company		
5,00,000 (Previous year 5,00,000) shares of Shree Samrudhi Industrial Papers Private Limited of ₹ 10 each fully paid up (out of the above 20 equity shares of ₹ 10 each are held in the names of nominees of the company)	50,00,000	50,00,000
b) In Equity Shares of Joint Ventures-		
39,50,000(Previous year 29,00,000) shares of Shree Samrat Pulp and Paper Private Limited of ₹ 10, each fully paid up. (out of the above 10 equity shares of ₹ 10 each are held in the name of a nominee of the company)	3,95,00,000	2,90,00,000
NIL (Previous year 10,000) shares of Shree Samarpan Pulp and Paper Private Limited of ₹ 10 each fully paid up. (out of the above 10 equity shares of ₹ 10 each are held in the name of a nominee of the company) (Refer Note 12.2 below)	-	1,00,000
c) Others		
501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ₹ 100 each fully paid up .	50,100	50,100
1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ₹ 2,000, each fully paid up.	2,000	2,000
300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ₹ 10, each fully paid up.	3,000	3,000
B Other Investments (Quoted)		
2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ₹ 10 each, at a premium of ₹ 10 per share, fully paid up plus interest of ₹ 6,386. (Market Value ₹ 6,555)	52,386	52,386
Less: Provision for diminution in value of investments	(52,386)	(52,386)
2000 (Previous year 400)equity shares consequent to share split of Punjab National Bank of ₹ 2 each (Previous year ₹ 10 each) fully paid up (Market Value ₹ 2,88,800)	12,400	12,400
Total in ₹	4,45,67,500	3,41,67,500

12.1 Aggregate amount of quoted investments (including provision for diminution in value)	64,786	64,786
Aggregate Market value of listed and quoted investments	2,95,355	3,00,975
Aggregate amount of unquoted investments	4,45,55,100	3,41,55,100

12.2 The Board of Directors of Shree Samarpan Pulp and Paper Private Limited (a Joint Venture Company), vide a Board resolution dated 26th July, 2014, have decided to dissolve its Joint Venture Entity, consequentially, the Company has written off its Investment of ₹ 1,00,000 in the said company.

Notes forming part of the Financial Statements

Note : 13 Long - term Loans and Advances

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured considered good (Unless otherwise stated)		
a) Capital advances	38,49,024	44,14,794
b) Security deposits		
Considered good	15,49,721	15,72,721
Doubtful	5,00,000	5,00,000
	20,49,721	20,72,721
Less: Provision for doubtful deposit	5,00,000	5,00,000
	15,49,721	15,72,721
c) Prepaid Expenses	6,18,846	7,57,438
d) Advance income tax(Net of provision for tax of ₹ 3,77,78,161(Previous year ₹ 2,26,61,534)	69	32,622
e) MAT credit entitlement	3,08,21,600	1,61,42,561
f) Other loans and advances	3,75,000	23,01,000
Total in ₹	3,72,14,260	2,52,21,136

Note : 14 Inventories

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Raw materials	11,65,95,899	7,12,43,950
b) Work-in-progress (Refer note 14.1)	3,20,794	3,71,414
c) Finished goods	4,27,79,290	3,68,25,039
d) Stores and spares	3,21,59,036	2,79,07,217
e) Consumables	31,54,371	14,25,116
f) Goods -in-transit Consumables	-	67,08,034
g) Packing material stock	2,27,172	1,68,234
Total in ₹	19,52,36,562	14,46,49,004

14.1 Details of inventory of work- in- progress

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Multilayer Testliner and Testliner Paper	3,20,794	3,71,414

Note : 15 Trade Receivables

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	22,98,129	8,89,693
Others Trade receivables	24,55,71,524	25,79,14,012
Total in ₹	24,78,69,653	25,88,03,705

Notes forming part of the Financial Statements

Note : 16 Cash and cash equivalents

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A) Cash and cash equivalents		
(a) Cash on hand	1,06,191	1,23,350
(b) Balances with banks		
- In current accounts	1,52,399	63,03,918
Total Cash and cash equivalents (A)	2,58,590	64,27,268
B) Other bank balances		
In earmarked accounts		
- In deposit accounts	45,000	45,000
- Balances held as margin money	42,87,718	42,91,862
- Unclaimed dividend accounts	7,00,143	6,17,511
Total Other bank balances (B)	50,32,861	49,54,373
Total Cash and cash equivalents (A+B) in ₹	52,91,451	1,13,81,641
Other bank balances include deposit with remaining maturity of more than 12 months from the balance sheet date	45,000	45,000
	45,000	45,000

16.1 Balance with banks in earmarked accounts include ₹ 50,32,861 (Previous year ₹ 49,54,373) which have restriction.

Note : 17 Short Terms Loans and Advances

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured and considered good		
a) Loans and advances to employees	3,31,750	2,16,300
b) Prepaid expenses	39,74,876	24,20,516
c) Balances with government authorities		
Cenvat credit receivable	1,27,40,711	1,72,22,353
Custom duty advance	3,48,853	1,11,890
Export incentives receivable	-	2,07,948
VAT credit receivable	-	207
d) Advance to vendors	73,70,338	79,89,240
Total in ₹	2,47,66,528	2,81,68,454

Note :18 Other Current Assets

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Ancillary borrowing costs	-	2,33,964
Interest accrued on fixed deposits, margin money deposits etc.	52,840	5,14,464
Other Receivable	75,000	-
Insurance claims	3,07,606	18,39,164
Total in ₹	4,35,446	25,87,592

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

Note : 19 Revenue from Operations

Particulars	₹	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Sale of products (Refer note 19.1)	1,98,35,65,337	1,99,56,87,481
Income from windmills	2,64,55,662	2,49,58,498
Total in ₹	2,01,00,20,999	2,02,06,45,979
Other operating revenue		
Export incentive	2,04,598	2,07,948
Revenue from Operation (Gross)	2,01,02,25,597	2,02,08,53,927
Less : Excise duty	(12,21,97,246)	(12,31,11,892)
Revenue from operations (net) Total in ₹	1,88,80,28,351	1,89,77,42,035

19.1 Informations relating to products sold

Particulars	₹	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Multilayer Testliner and Testliner Paper	1,98,35,65,337	1,99,56,87,481
Total in ₹	1,98,35,65,337	1,99,56,87,481

Note : 20 Other Income

Particulars	₹	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest income on fixed deposits, margin money deposits etc.	4,14,875	4,40,055
Dividend income from other long-term investments	7,515	22,315
Miscellaneous income	4,16,480	89,802
Total in ₹	8,38,870	5,52,172

Note : 21 Cost of materials consumed

Particulars	₹	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Opening stock	7,12,43,950	10,98,97,050
Add: Purchases	1,26,80,31,603	1,17,25,81,325
	1,33,92,75,553	1,28,24,78,375
Less: Closing stock	11,65,95,899	7,12,43,950
Total in ₹	1,22,26,79,654	1,21,12,34,425

21.1 Materials consumed comprise:

Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014	
	Amount	% of Consumption	Amount	% of Consumption
Consumption of raw material Imported				
Imported waste paper	34,94,56,838		33,52,51,135	
Colour and chemical	14,04,23,254		8,44,66,313	
Total of Imported	48,98,80,092	40.07	41,97,17,448	34.65
Indigenous				
Indian waste paper	66,73,11,519		67,60,15,626	
Colour and chemical	6,54,88,043		11,55,01,351	
Total of Indigenous	73,27,99,562	59.93	79,15,16,977	65.35
Total	1,22,26,79,654	100.00	1,21,12,34,425	100.00

Notes forming part of the Financial Statements

Note : 22 Changes in Inventories of Finished Goods and work-in-progress

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Inventories at the end of the year		
Finished goods	4,27,79,290	3,68,25,039
Work-in- progress	3,20,794	3,71,414
Total in ₹	4,31,00,084	3,71,96,453
Inventory at the beginning of the year		
Finished goods	3,68,25,039	1,46,28,475
Work-in-progress	3,71,414	1,54,580
Total in ₹	3,71,96,453	1,47,83,055
Net (increase)/decrease Total in ₹	(59,03,631)	(2,24,13,398)

Note : 23 Employee Benefits Expense

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Salaries and wages	8,40,95,312	7,95,71,994
Contribution to provident fund and pension scheme (Refer note 23.1)	15,15,480	11,30,781
Gratuity expenses (Refer Note 23.2)	8,68,598	(9,49,733)
Staff welfare expenses	25,54,995	25,85,953
Total in ₹	8,90,34,385	8,23,38,995

23.1 Defined contribution plans

Contribution to defined contribution plans, recognised as expenses for the year as under

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Employer's contribution to provident fund	7,36,184	5,15,013
Employer's contribution to pension scheme	7,79,296	6,15,768
Total in ₹	15,15,480	11,30,781

Notes forming part of the Financial Statements

23.2 Employment Benefits Expense

Disclosure relating to Employee benefits expense is as under :-

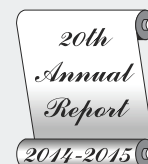
Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014		
	Gratuity	Compensated Absences	Gratuity	Compensated Absences	
A Components of employer's expense	Non Funded		Non Funded		
Current service cost	2,89,062	2,69,229	2,98,130	7,82,708	
Interest cost	2,27,058	3,31,093	2,08,715	2,14,971	
Expected return on plan assets	-	-	-	-	
Actuarial losses/(gains)	3,52,478	35,42,338	(2,84,081)	28,34,275	
Other adjustments *	-	-	(11,72,497)	(16,77,036)	
Total Expenses	8,68,598	41,42,660	(9,49,733)	21,54,918	
B Net Liability recognized in the Balance Sheet					
Present value of defined benefit obligation	32,40,439	45,64,435	24,38,862	35,56,317	
Fair value of plan assets	-	-	-	-	
Net Liability recognized in the Balance sheet (Refer Note 6 and 10)	32,40,439	45,64,435	24,38,862	35,56,317	
C Change in defined benefit obligations (DBO) during the year					
Present value of DBO at beginning of the year	24,38,862	35,56,317	22,47,425	26,05,710	
Current service cost	2,89,062	2,69,229	2,98,130	7,82,708	
Interest cost	2,27,058	3,31,093	2,08,716	2,14,971	
Actuarial losses/(gains)	3,52,478	35,42,338	(2,84,081)	28,34,275	
Benefits paid	(67,021)	(31,34,542)	(31,328)	(28,81,347)	
Present value of DBO at the end of the year (Refer note 6 and 10)	32,40,439	45,64,435	24,38,862	35,56,317	
D Actuarial assumptions:					
Discount rate	7.94%	7.94%	9.31%	9.31%	
Salary escalation	5.00%	5.00%	5.00%	5.00%	
Attrition Rate	2.00%	2.00%	2.00%	2.00%	
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	
Experience adjustments					
Gratuity				2011-12	2010-11
Present value of DBO	32,40,439	24,38,862	34,19,922	17,88,094	15,10,231
Experience gain/(loss) adjustments on plan liabilities	26,728	(27,464)	(53,515)	(69,335)	(78,634)
Compensated absences					
Present value of DBO	45,64,435	35,56,317	42,82,746	19,09,931	16,30,120
Experience gain/(loss) adjustments on plan liabilities	31,14,986	31,16,684	19,61,855	14,03,250	10,31,789
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

* Excess provision written back

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

Note : 24 Finance Costs

Particulars	₹	₹
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
a) Interest expense on		
i) Borrowings	4,18,04,861	3,80,92,259
Less: Interest capitalised	-	(83,73,846)
ii) Interest on short fall of advance tax	3,52,354	3,52,548
b) Other borrowing costs	26,71,267	10,85,217
Total in ₹	4,48,28,482	3,11,56,178

Note : 25 Other Expenses

Particulars	₹	₹
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Consumption of stores and spare parts (Refer note 25.1)	3,10,40,922	2,26,47,576
Power and fuel	24,84,85,709	25,12,46,549
Packing material consumed	1,68,86,389	1,81,33,610
Unloading charges	1,16,44,836	99,08,200
Insurance	44,89,353	40,49,819
Repairs and maintenance- Machinery	99,88,549	63,57,192
Repairs and maintenance- Building	17,03,862	3,78,400
Repairs and maintenance (others)	42,07,483	41,20,215
Increase/(decrease) of excise duty on inventory	2,83,673	13,17,225
Other manufacturing expenses	68,58,873	61,06,251
Selling expenses	62,85,999	74,65,039
Commission on sale	1,53,37,593	1,37,15,736
Audit fees (Refer note 25.2)	17,75,000	17,65,000
Consultancy fees	4,38,523	7,88,136
Foreign exchange fluctuation expenses (net)	4,64,704	21,14,780
Investment written off (Refer note 12.2)	1,00,000	-
Provision for diminution in value of long term investment	-	4,071
Professional charges	22,85,095	21,48,830
Rates and taxes	2,86,334	3,79,987
Security charges	35,10,065	31,55,192
Travelling expenses	18,65,728	12,61,132
Vehicle expenses	20,59,144	14,92,438
Expenditure on Corporate Social Responsibilities (Refer note 25.3)	32,70,700	-
Windmill expenses	63,05,058	51,96,838
Miscellaneous expenses	87,47,703	80,07,052
Total in ₹	38,83,21,295	37,17,59,268

25.1 Details of consumption of stores and spares

Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014	
	Amount	% of Consumption	Amount	% of Consumption
Consumption of stores and spares				
Imported	75,65,749	24.37	61,67,772	27.23
Indigenous	2,34,75,173	75.63	1,64,79,804	72.77
Total	3,10,40,922	100.00	2,26,47,576	100.00

Notes forming part of the Financial Statements

25.2 Payment to Auditors as :

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Payment to the auditors comprise (net of service tax input credit, where applicable)		
a) To statutory auditors For audit	15,00,000	13,00,000
Tax Audit Fees	1,00,000	1,00,000
For other services	1,00,000	3,00,000
b) Cost auditor for cost audit	75,000	65,000
Total in ₹	17,75,000	17,65,000

25.3 Expenditure on Corporate Social Responsibilities

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
a) Gross Amount required to be spent by the company during the year	32,70,677	-
b) Amount spent during the year		
In Cash	32,70,700	-
Yet to be paid in cash		--
Total in ₹	32,70,700	-

The company has spent an amount of ₹ 32,70,700 for promoting preventing health care, education.

Amount spent on construction/acquisition of any assets is ₹ NIL.

Note : 26 Value of Imports on CIF basis

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Raw materials	45,01,11,542	33,90,05,562
Stores and spares	77,58,793	1,43,20,215
Capital Goods	1,51,43,444	1,75,26,787

Note : 27 Expenditure in Foreign Currency

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Traveling expenses	14,47,682	5,44,738

Note : 28 Earning in Foreign Exchange

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
FOB value of Export	35,89,545	36,48,948

Note : 29 Earning Per Share

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Profit for the year attributable to the equity shareholders	7,12,11,642	12,17,65,845
Weighted average number of equity shares	53,56,700	53,56,700
Earnings per share ₹ (Basic and Diluted)	13.29	22.73
Nominal value per share ₹	10.00	10.00

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

Note : 30 Related Party disclosure

30.1 Details of related parties:

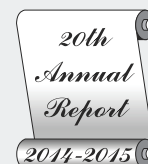
Description of relationship	Names of related parties
(i) Subsidiary	Shree Samrudhi Industrial Papers Private Limited
(ii) Jointly Controlled Entities (JCE)	Shree Samrat Pulp and Paper Private Limited Shree Samarpan Pulp and Paper Pvt Ltd (Refer note 12.2) (company under liquidation)
(iii) Key Management Personnel	Mr. Gautam D Shah, Mr. Piyush R Shah, Mrs. Bela G Shah

30.2 Transactions with related parties during the year

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
i) Managerial Remuneration paid to Key Management Personnel		
Mr. Gautam D Shah	52,59,360	94,63,485
Mr. Piyush R Shah (upto 22/01/2015)	2,42,593	96,000
Mrs. Bela G Shah # (from 07/02/2015)	7,63,688	-
ii) Investment in share capital of Shree Samrat Pulp and Paper Private Limited	1,05,00,000	90,00,000

Subject to shareholder's approval.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

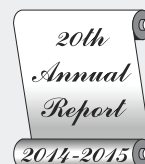
Note : 31 Interest in Joint Venture :

The company holds 50 % interest in Shree Samrat Pulp and Paper Private Limited , jointly controlled entity which is involved in manufacturing activity. The company's share of assets , liabilities, income and expenses in the jointly controlled entity for the year ended 31st March as per their audited financial statements are as follows :

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Reserves and Surplus	(42,74,859)	(39,04,923)
Non-Current Liabilities		
Long-Term Borrowings	4,34,59,829	3,02,18,416
Deferred Tax Liabilities (Net)	(5,79,830)	6,48,335
Current Liabilities		
Short-Term Borrowings	1,03,48,645	1,32,42,744
Trade Payables	63,00,989	1,25,56,943
Other Current Liabilities	1,14,83,802	90,77,580
Short-Term Provisions	4,51,787	2,31,423
Non-Current Assets		
Fixed Assets		
Tangible Assets	5,81,67,373	5,92,11,633
Intangible Assets	82,053	1,23,079
Capital work-in-progress	2,30,19,050	6,39,524
Long-term loans and advances	35,39,066	19,05,916
Current Assets		
Inventories	68,82,885	61,61,356
Trade receivables	78,73,709	1,91,62,227
Cash and Bank Balance	19,665	31,111
Short-term loans and advances	69,70,068	38,07,146
Other current assets	1,36,497	1,28,526
Capital commitments	24,07,696	18,04,538
Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Income		
Revenue from Operations (Gross)	14,96,17,018	15,92,03,249
Less:-Excise Duty	(91,55,043)	(97,42,779)
Revenue from Operations (Net)	14,04,61,975	14,94,60,471
Other Income	2,65,835	1,67,403
Total Revenue	14,07,27,810	14,96,27,873
Expenditure		
Cost of materials consumed	9,31,53,225	10,26,34,769
Changes in Inventories of Finished Goods and Work-in-progress	(2,97,749)	(16,90,878)
Employee Benefits Expense	51,26,942	53,03,649
Finance Costs	56,21,544	56,09,989
Depreciation and Amortisation Expense	17,96,248	17,57,735
Other Expenses	3,70,19,412	3,98,81,053
Tax expense / (Benefit)	(12,28,164)	6,48,335
Total Expenses	14,11,91,458	15,41,44,651

Previous year figures include interest in Shree Samarpan Pulp and Paper Pvt. Ltd. - company under liquidation. (Refer note 12.2)

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the Financial Statements

Note 32 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Accordingly, the Company has identified two primary business segments viz Paper and Windmill. The company does not have any secondary segment.

Primary Segment Information.

Particulars	For the year ended 31 March, 2015			
	Business segments		Eliminations	Total
	Paper ₹	Windmill ₹	₹	₹
Revenue	1,86,13,68,091 <i>1,87,25,75,589</i>	2,64,55,662 <i>2,49,58,498</i>	-	1,88,78,23,753 <i>1,89,75,34,087</i>
Inter-segment revenue	-	-	-	-
Total	1,86,13,68,091 <i>1,87,25,75,589</i>	2,64,55,662 <i>2,49,58,498</i>	-	1,88,78,23,753 <i>1,89,75,34,087</i>
A. Segment result	15,67,95,718 <i>22,24,42,300</i>	1,32,69,291 <i>1,15,69,230</i>	-	17,00,65,009 <i>23,40,11,530</i>
B. Unallocable expenses (net)				7,20,82,319 <i>5,56,46,368</i>
C. Operating income (A-B)				9,79,82,690 <i>17,83,65,162</i>
D. Other income (net)				8,38,870 <i>5,52,172</i>
E. Profit before tax (C+D)				9,88,21,560 <i>17,89,17,334</i>
F. Tax expense				2,76,09,918 <i>5,71,51,489</i>
G. Profit for the year (E-F)				7,12,11,642 <i>12,17,65,845</i>

Particulars	For the year ended 31 March, 2015		
	Business segments		Total
	Paper ₹	Windmill ₹	₹
Segment assets	1,18,72,54,134 <i>1,13,90,90,325</i>	12,32,94,922 <i>12,95,12,785</i>	1,31,05,49,056 <i>1,26,86,03,110</i>
Unallocable assets			10,70,34,243 <i>8,89,08,465</i>
Total assets			1,41,75,83,299 <i>1,35,75,11,575</i>
Segment liabilities	16,05,92,235 <i>13,82,89,760</i>	10,66,556 <i>6,57,938</i>	16,16,58,791 <i>13,89,47,698</i>
Unallocable liabilities			49,98,43,680 <i>52,83,45,405</i>
Total liabilities			66,15,02,471 <i>66,72,93,103</i>
Other information			
Capital expenditure (allocable)	5,83,24,391 <i>19,11,82,216</i>	-	5,83,24,391 <i>19,11,82,216</i>
Capital expenditure (unallocable)			63,39,343 <i>1,52,61,256</i>
Depreciation and amortisation (allocable)	3,85,79,121 <i>3,44,44,261</i>	68,81,313 <i>81,92,429</i>	4,54,60,434 <i>4,26,36,690</i>
Depreciation and amortisation (unallocable)			56,25,042 <i>26,64,715</i>
Other significant non-cash expenses(unallocable)			1,00,000 <i>-</i>

Previous year figures are shown in Italics.

Notes forming part of the Financial Statements

Note : 33 Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	₹	₹
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Contingent liabilities		
Claims against the company not acknowledged as debt	28,36,620	28,36,620
Demand for Custom duty (Deposit paid ₹ 2,36,963)	62,07,453	-
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities.		
Commitments		
Estimate amount of contracts remaining to be executed on capital account and not provided for	32,84,081	12,46,688

Note : 34 Derivative Instruments

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	Forex (USD)	₹	Forex (USD)
Import of Goods and Services	1,31,53,006	2,10,143	3,27,704	5,308
Particulars	₹	Forex (EURO)	₹	Forex (EURO)
Import of Goods and Services	9,22,327	13,662	-	-

Note : 35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREE AJIT PULP AND PAPER LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SHREE AJIT PULP AND PAPER LIMITED** (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and jointly controlled entity as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one subsidiary and one jointly controlled entity, whose financial statements reflect total assets of ₹ 112,898,572/- as at 31st March, 2015, total revenues of ₹ 140,461,975/- and net cash flows amounting to ₹ 146,345/- for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary company and jointly controlled company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there is no amount payable by its subsidiary and Jointly controlled company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Vapi, 28th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes one subsidiary company and one jointly controlled company incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

The clauses (i), (ii) (xi), are not applicable to the subsidiary company.

1. In respect of the fixed assets of the Holding Company and jointly controlled company incorporated in India:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and in the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Holding Company and jointly controlled company incorporated in India:
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
 - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
3. The Holding Company, subsidiary company, and jointly controlled company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
4. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company, subsidiary company and jointly controlled company incorporated in India, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit no continuing failure to correct major weaknesses in such internal control system has been observed.
5. According to the information and explanations given to us, the Holding Company, subsidiary company and jointly controlled entity incorporated in India have not accepted any deposit during the year. Accordingly, paragraph (v) of the Order is not applicable to the Company.
6. According to the information and explanations given to us, in our opinion, the Holding Company, have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. According to the information and explanations given to the other auditors and in the opinion of the other auditors, the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the subsidiary company and jointly controlled company incorporated in India.
7. According to the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary company and jointly controlled company incorporated in India:
 - a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
 - b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- c) Details of dues which have not been deposited as on March 31, 2015 on account of disputes are given below:
In respect of Holding Company:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved* ₹
The Customs Act, 1962	Custom Duty	Commissioner Custom (Appeals)	April 2011-March 2013	5,389,349 /-
The Customs Act, 1962	Custom Duty	CESTAT	April 2011-March 2012	581,141/-

(* net of ₹ 236,963/- being amount deposited under protest)

- d) The aforesaid entities have been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
8. The Group, and jointly controlled entity does not have consolidated accumulated losses at the end of the financial year and the Group and jointly controlled entity have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and jointly controlled company incorporated in India have not defaulted in the repayment of dues to financial institutions and banks and the subsidiary company has not taken any loans from financial institutions and banks. The Holding Company, subsidiary company and jointly controlled company incorporated in India have not issued any debentures.
10. According to the information and explanations given to us, the Holding Company, subsidiary company and jointly controlled company incorporated in India have not given guarantees for loans taken by others from banks and financial institutions.
11. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors the term loans have been applied by the Holding Company and jointly controlled company incorporated in India during the year for the purposes for which they were obtained.
12. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary company and jointly controlled company incorporated in India and no material fraud on the Holding Company, its subsidiary company and jointly controlled company incorporated in India has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Vapi, 28th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	5,35,67,000	5,35,67,000
(b) Reserves and Surplus	3	69,85,93,776	63,28,57,544
		75,21,60,776	68,64,24,544
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	13,38,68,597	16,49,44,539
(b) Deferred Tax Liabilities (Net)	5 A	15,18,39,543	13,21,53,151
(c) Long-term Provisions	6	58,91,695	42,76,874
		29,15,99,835	30,13,74,564
(3) Current Liabilities			
(a) Short-term Borrowings	7	20,50,74,026	18,52,12,093
(b) Trade Payables	8	12,95,08,596	10,96,16,138
(c) Other Current Liabilities	9	10,16,66,513	12,26,08,978
(d) Short-term Provisions	10	59,72,130	1,46,56,397
		44,22,21,265	43,20,93,606
		1,48,59,81,876	1,41,98,92,714
B ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	91,22,13,539	88,53,49,518
(ii) Intangible Assets	11	3,85,549	4,00,438
(iii) Capital Work-in-progress	11	3,08,71,287	2,67,56,824
		94,34,70,375	91,25,06,780
(b) Non-current Investments	12	67,500	67,500
(c) Deferred Tax Assets (Net)	5 B	5,79,830	-
(d) Long-term Loans and Advances	13	4,08,38,326	2,72,14,460
		4,14,85,656	2,72,81,960
(2) Current Assets			
(a) Inventories	14	20,21,19,448	15,08,10,361
(b) Trade Receivables	15	25,57,43,362	27,79,65,932
(c) Cash and Cash Equivalents	16	1,05,39,354	1,64,96,200
(d) Short-term Loans and Advances	17	3,17,36,596	3,19,75,601
(e) Other Current Assets	18	8,87,085	28,55,880
		50,10,25,845	48,01,03,974
TOTAL		1,48,59,81,876	1,41,98,92,714
See accompanying notes forming part of the consolidated financial statements	1-36		

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

Place : Vapi
Date : 28th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	₹ For the Year Ended 31 March, 2015	₹ For the Year Ended 31 March, 2014
INCOME			
1 Revenue from Operations (Gross)	19	2,15,98,42,615	2,18,00,57,176
Less: Excise Duty		(13,13,52,289)	(13,28,54,671)
Revenue from Operation (Net)		2,02,84,90,326	2,04,72,02,505
2 Other Income	20	15,31,115	9,56,803
3 Total Revenue (1+2)		2,03,00,21,441	2,04,81,59,308
4 EXPENSES			
a) Cost of Materials Consumed	21	1,31,58,32,879	1,31,38,69,195
b) Changes in Inventories of Finished Goods and Work-in-progress	22	(62,01,380)	(2,41,04,276)
c) Employee Benefits Expense	23	9,41,61,326	8,76,42,645
d) Finance Costs	24	5,04,50,025	3,67,66,167
e) Depreciation and Amortisation Expense	11	5,28,81,725	4,70,59,140
f) Other Expenses	25	42,53,05,948	41,16,67,891
Total Expenses (a+b+c+d+e+f)		1,93,24,30,523	1,87,29,00,762
5 Profit Before Tax (3-4)		9,75,90,918	17,52,58,546
6 Tax Expense/(Benefit)			
a) Current Tax Expense		2,09,68,795	3,76,60,924
b) Less : Mat Credit		(1,46,79,039)	(1,14,87,457)
c) Tax Adjustments for Prior Years		14,519	58,01,825
Net Current Tax Expense		63,04,275	3,19,75,292
d) Deferred Tax			
i) Current year		2,02,01,125	3,89,05,433
ii) Prior year (Refer Note 5.1)		-	(1,30,13,580)
Net Deferred Tax		2,02,01,125	2,58,91,853
Net Tax Expense		2,65,05,400	5,78,67,145
7 Profit for the year (5-6)		7,10,85,518	11,73,91,401
7.1 Earning per share of ₹ 10/- each (Basic and Diluted)	29	13.27	21.91
See accompanying notes forming part of the consolidated financial statements		1-36	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 28th May, 2015

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

Consolidated Cash Flow Statement for the year ended 31st March, 2015

Particulars	₹ For the Year Ended 31 March, 2015	₹ For the Year Ended 31 March, 2014
A. Cash flow from operating activities		
Profit before tax as per statement of profit and loss	9,75,90,918	17,52,58,546
Adjustments for:		
Depreciation and amortisation	5,28,81,725	4,70,59,140
Loss on sale of assets (net)	64,000	3,67,135
Finance costs	5,04,50,025	3,67,66,167
Interest income	(9,92,948)	(8,33,027)
Dividend income	(7,515)	(22,315)
Unrealised Exchange (gain)	(72,542)	-
Sundry balance written back	(5,22,191)	(1,01,461)
Provision for diminution in value of long-term investment	-	4,071
Operating profit before working capital changes	19,93,91,472	25,84,98,256
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(5,13,09,087)	14,19,791
Trade receivables	2,22,22,570	(4,29,60,383)
Short-term loans and advances	2,70,733	(1,49,96,703)
Long-term loans and advances	18,31,242	3,99,762
Other current assets	14,56,558	(18,39,164)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,04,47,266	69,56,878
Other current liabilities	(90,80,142)	(2,69,69,686)
Short-term provisions	4,15,239	(11,753)
Long-term provisions	16,14,821	(17,85,248)
Cash generated from operations	18,72,60,672	17,87,11,750
Net income tax (paid) / refunds	(3,01,65,943)	(3,66,33,366)
Net cash flow from operating activities (A)	15,70,94,729	14,20,78,384
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(8,76,27,085)	(16,89,21,585)
Proceeds from sale of fixed assets	5,93,858	4,80,725
Bank balance not considered as cash and cash equivalents	(25,78,488)	15,16,388
Interest received	12,71,221	15,30,208
Dividend received	7,515	22,315
Proportionate share of Cash and bank balance in Joint venture entities as on 31st March, 2013	-	33,43,156
Net cash flow (used in) investing activities (B)	(8,83,32,979)	(16,20,28,793)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	3,59,66,099	1,77,43,347
Repayment of long-term borrowings	(7,97,86,612)	(2,81,25,203)
Short-term borrowings(net)	1,98,61,933	6,84,21,825
Finance costs	(5,02,04,968)	(3,65,00,343)
Dividends paid	(26,78,350)	(26,43,882)
Tax on dividend	(4,55,186)	(4,55,186)
Net cash flow from financing activities (C)	(7,72,97,084)	1,84,40,558
Net decrease in Cash and cash equivalents (A+B+C)	(85,35,334)	(15,09,852)
Cash and cash equivalents at the beginning of the year	90,41,827	1,05,51,679
Cash and cash equivalents at the end of the year *	5,06,493	90,41,827
* Comprises: @		
(a) Cash on hand	1,19,932	1,42,187
(b) Balances with banks In current accounts	3,86,561	88,99,640
Total Cash and cash equivalents	5,06,493	90,41,827

Note1- Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 " Cash Flow Statement".

See accompanying notes forming part of the financial statements (1-36)

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 28th May, 2015

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi
Date : 28th May, 2015

Notes forming part of the consolidated financial statements

Note 1 Basis of consolidation and significant accounting policies

A. Corporate information:

Shree Ajit Pulp And Paper Ltd ('the Company') is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange, Vadodara Stock Exchange and Ahmedabad Stock Exchange. The company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

Shree Samrat Pulp And Paper Private Limited (Joint Venture Entity) is also engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

Samrudhi Industrial Papers Private Limited ('the subsidiary') yet not started any activity.

Shree Samarpan Pulp and Paper Private Limited (Joint Venture Entity) is under liquidation (Refer note 35).

B. Basis of consolidation and significant accounting policies:-

The consolidated financial statements relate to Shree Ajit Pulp and Paper Limited (the Company), its subsidiary company and joint venture entity.

(a) Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiary and jointly controlled entity (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

(b) Principles of consolidation:

The consolidated financial statements relate to the Company, its subsidiary company and jointly controlled entity. The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the subsidiary company and jointly controlled entity used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2015.
- ii. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- iii. Share of profit / loss, assets and liabilities in the jointly controlled entity, which is not subsidiary, has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entity that is considered subsidiary under AS 21 Consolidated Financial Statements is consolidated similar to the manner of consolidating subsidiaries (Refer (ii) above) and the share of interest of the other venturer in such entity is included as part of minority interest.
- iv. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- v. The following subsidiary company and jointly controlled entities are considered in the preparation of the consolidated financial statements:

Sr. No.	Name of the company	Relationship	Country of incorporation	% of holding as at 31st March, 2015	% of holding As at 31st March, 2014
1	Samrudhi Industrial Papers Private Limited	Subsidiary Company	India	100%	100%
2	Shree Samrat Pulp and Paper Private Limited	Jointly controlled entity	India	50%	50%
3	Shree Samarpan Pulp and Paper Private Limited	Jointly controlled entity	India	*	50%

* This entity is under liquidation refer note 35 of consolidated financial statement.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

- vi. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary / Associated/ Joint Ventures.

Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
I. Parent Shree Ajit Pulp and Paper Limited (refer note below)	94.60%	71,15,80,828	100.31%	7,13,05,355
II. Subsidiaries				
Indian Shree Samrudhi Industrial Papers Private Limited	0.72%	53,54,804	0.34%	2,43,811
Foreign	NIL			
Minority Interests in all subsidiaries	NIL			
III. Associates (Investment as per the equity method)	NIL			
IV. Joint Ventures (as per proportionate consolidation)				
Indian				
1 Shree Samrat Pulp and Paper Private Limited	4.68%	3,52,25,144	(0.65%)	(4,63,648)
2 Shree Samarpan Pulp and Paper Private Limited	This entity is under liquidation. Refer note 35 of consolidated financial statement.			
Foreign	NIL			
Total		75,21,60,776		7,10,85,518

Note : Share in profit or loss in respect of Parent entity excludes elimination of Rs. 93,713/- in respect of investment in Shree Samarpan Pulp and Paper Private Limited which is written off during the year. Refer note 35 of consolidated financial statement.

- vii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

(c) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(d) Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Notes forming part of the consolidated financial statements

(e) Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortised over the duration of the lease.

Intangible assets are amortised over their estimated useful life.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

(f) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from electricity units generated by windmills is accounted as income from wind mills at landed cost and has been shown as such in the Consolidated Statement of Profit and Loss.

(g) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

(h) Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

(i) Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Consolidated Statement of Profit and Loss.

(j) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(k) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, and gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term compensated absences is accounted as under:

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

Notes forming part of the consolidated financial statements

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(l) Borrowing costs

Borrowing costs include interest, and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(m) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Under the primary segment there are two reportable segments viz., Paper and Power generation by Windmills. These were identified considering the nature of the products, the different risks and return. The Company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(n) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

(o) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

(p) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

Notes forming part of the consolidated financial statements

Note : 2 Share Capital

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) AUTHORISED		
1,50,00,000 (1,50,00,000) Equity Shares of ₹ 10 each with voting rights	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000
b) ISSUED		
53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
c) SUBSCRIBED AND FULLY PAID UP		
53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
Total in ₹	5,35,67,000	5,35,67,000

2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of Shares held	Amount in ₹	Number of Shares held	Amount in ₹
Equity Shares at the beginning and at the end of the year	53,56,700	5,35,67,000	53,56,700	5,35,67,000

2.2 Details of Shares held by each shareholder holding more than 5 % shares :

Name of Shareholders	As at 31 March, 2015		As at 31 March, 2014	
	Number of Shares held	% Holding	Number of Shares held	% Holding
Gautam D Shah	10,64,750	19.88%	10,64,750	19.88%
Sureshbhai C Shah	4,54,000	8.48%	4,54,000	8.48%
Jayantilal M Shah	4,35,000	8.12%	4,35,000	8.12%
Bela G Shah	3,85,540	7.20%	3,85,540	7.20%
Varun Shah	3,05,300	5.70%	3,05,300	5.70%
Bharat Mafatlal Shah	2,70,900	5.06%	2,70,900	5.06%

2.3 Terms and Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Further, the Board of Director may also announce an interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

Note : 3 Reserves and Surplus

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Capital Reserve		
Opening balance	30,25,374	12,92,993
Proportionate share of balance in Joint venture entities as on 31st March 13.	-	17,32,381
Closing Balance	30,25,374	30,25,374
b) Surplus in Statement of Profit and Loss		
Opening balance	62,98,32,170	51,66,94,832
Proportionate share of balance in Joint venture entities as on 31st March, 2013	-	(11,20,527)
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (Refer Note 11.3)	21,25,686	-
Add: Profit for the year	7,10,85,518	11,73,91,401
Less: Dividends proposed to be distributed to equity shareholders ₹ 0.50 per share (Previous Year ₹ 0.50 per share)	26,78,350	26,78,350
Tax on Proposed Dividend	5,45,250	4,55,186
Closing Balance	69,55,68,402	62,98,32,170
Total in ₹	69,85,93,776	63,28,57,544

Note : 4 Long-term Borrowings

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Secured		
a) Term loans from banks	12,43,65,772	16,08,51,123
b) Other loans	16,71,055	-
Unsecured		
a) Deferred sales tax liability for the FY 2013-14	40,93,416	40,93,416
b) Deferred sales tax liability for the FY 2014-15	37,38,354	-
Total in ₹	13,38,68,597	16,49,44,539

4.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	₹ Balance as at 31 March, 2015	Start Date of Loan Repayment	Repayment of Installments	No. of Installments Sanctioned (Monthly)	End date of loan repayment
	Term loan					
1	- from bank (Refer note a)	1,67,36,754	January, 2014	8,60,000	60	March,2017
2	- from bank (Refer note a)	1,11,92,269	January, 2014	5,73,333	60	March,2017
3	- from bank (Refer note b)	-	February, 2011	10,83,334	60	January,2016
4	- from bank (Refer note c)	1,88,60,000	March, 2013	8,20,000	60	February, 2018
5	- from bank (Refer note d)	4,12,50,000	October, 2013	13,75,000	60	September,2018
6	-from Bank (Refer note e)	6,98,690	August , 2013	2,36,355	35	June,2016
7	- from NBFC (Refer note e)	16,71,055	August,2014	1,13,050	36	July,2017
8	-from Bank (Refer note f)	1,78,75,000	June,2013	6,87,500	60	May,2018
9	-from Bank (Refer note f)	1,77,53,059	July,2015	2,86,500	72	July,2017
10	- current maturities of Long term debts (refer note 9)	6,63,25,021				
		19,23,61,848				

Notes forming part of the consolidated financial statements

Note a. Term loans are secured by plant and machinery and equitable mortgage on immovable property and hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note b. Term loan of ₹ 1,08,18,004 included in current maturities of long term debts is secured by way of exclusive charge on plant and machinery and building of windmill situated at village Bagasara dist Rajkot and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note c. Term loan is secured by way of exclusive charge on plant and machinery and building of windmill situated at village Murvel dist Jamnagar and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note d. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note e. Vehicle loan is secured by way of hypothecation of Vehicle.

Term loan from Sr. No. 1 to 7 from banks and from others are further secured by way of personal guarantee of Mr. Gautam D Shah CMD of the company and bears rate of interest base rate plus 2.90 % to 4.70 %.

Note f. Term loan is secured by way of first charge on plant and machinery and equitable mortgage on Immovable property situated at Kurkumbh of the company, secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and personal guarantee of Mr. Gautam D Shah, Mr. Pankaj K. Mansingka & Mr. Sandeep M. Shah directors of the company.

4.2 Sales Tax Deferement

(i). The joint venture entity has been granted deferment of Sales Tax for the year 2013-14 as per Sales Tax deferment scheme 1993 of the Government of Maharashtra. According to the scheme Sales Tax collected by the Company is deferred for 10 Years and thereafter it is repayable to the Government in 5 Equal yearly installment starting from April, 2024 as per repayment schedule. The total amount of deferred Sale Tax upto 31 March, 2015 is ₹ 40,93,416/- (Previous year ₹ 40,93,416/-)

(ii). The joint venture entity has been granted deferment of Sales Tax for the year 2014-15 as per Sales Tax deferment scheme 1993 of the Government of Maharashtra. According to the scheme Sales Tax collected by the Company is deferred for 10 Years and thereafter it is repayable to the Government in 5 Equal yearly installment starting from April, 2025 as per repayment schedule. The Total amount deferred Sale Tax upto 31st March, 2015 is ₹ 37,38,354/- (Previous year Nil).

Note : 5A Deferred Tax Liabilities (Net)

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	15,54,59,046	13,54,33,120
Deferred Tax Liability (DTL)	15,54,59,046	13,54,33,120
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	(32,20,564)	(24,42,700)
Disallowances under Section 43B of the Income Tax Act, 1961	(2,25,899)	(6,06,477)
Others	(1,73,040)	(2,30,792)
Deferred Tax Assets (DTA)	(36,19,503)	(32,79,969)
Net Deferred Tax Liability in ₹	15,18,39,543	13,21,53,151

5.1 Deferred tax - Prior year ₹ 1,30,13,580 represents reversal of deferred tax liability created in earlier years in respect of timing differences which reversed during the tax holiday period.

Notes forming part of the consolidated financial statements

Note : 5B Deferred Tax Assets (Net)

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	19,11,328	-
Deferred Tax Liability (DTL)	19,11,328	-
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	(1,39,602)	-
Disallowances under Section 43B of the Income Tax Act, 1961	(15,756)	-
Others	(23,35,800)	-
Deferred Tax Assets (DTA)	(24,91,158)	-
Net Deferred Tax Assets in ₹	5,79,830	-

Note : 6 Long-term Provisions

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Provision for employee benefits		
i) Provision for gratuity (refer note 10 and 23.2)	28,21,118	20,71,949
ii) Provision for compensated absences (refer note 10 and 23.2)	30,70,577	22,04,925
Total in ₹	58,91,695	42,76,874

Note : 7 Short-term Borrowings

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Secured		
Loan repayable on demand from banks	20,50,74,026	18,52,12,093
Total in ₹	20,50,74,026	18,52,12,093

7.1 Cash Credit is Secured by Hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and Plant and Machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Mr. Gautam D Shah, Mr. Pankaj K Mansingka and Sandeep M Shah Directors of the companies. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5 % to 4.50 %.

Note : 8 Trade Payables

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Trade payables	12,95,08,596	10,96,16,138
Total in ₹	12,95,08,596	10,96,16,138

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	10,50,840	19,01,831
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the year.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note : 9 Other Current Liabilities

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
(a) Current maturities of long-term borrowings (Refer note 4 and 9.1)	6,63,25,021	7,90,69,592
(b) Interest accrued but not due on borrowings	10,77,588	10,66,495
(c) Temporary overdrawn bank balance as per books	-	1,80,335
(d) Unclaimed dividend	7,00,143	6,17,511
(e) Other Payables		
i) Advances from customers	4,13,647	48,28,883
ii) Security deposits received	1,04,000	30,99,000
iii) Payables on purchase of fixed assets	2,82,52,121	2,73,44,750
iv) Statutory remittances		
Tax deducted at source payable	5,30,438	24,16,741
Central sales tax payable	22,56,060	27,48,254
Others (VAT, Excise, Service tax, Provident Fund, etc)	20,07,495	12,37,417
Total in ₹	10,16,66,513	12,26,08,978

9.1 Current maturities of long-term borrowings consist of :

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Term Loans from banks (Secured)	6,52,13,108	7,80,95,892
b) Other loans (Secured)	11,11,913	9,73,700
Total in ₹	6,63,25,021	7,90,69,592

Note : 10 Short Term Provisions

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Provision For Employee Benefits		
Provision for gratuity (refer note 6 and 23.2)	5,39,645	3,66,913
Provision for compensated absences (refer note 6 and 23.2)	18,25,322	15,82,815
b) Provisions- others		
Provision for proposed equity dividend	26,78,350	26,78,350
Provision for tax on proposed dividend	5,45,250	4,55,186
Provision for tax (Net of advance tax of ₹ 2,05,43,266)	3,83,563	95,73,133
(Previous year ₹ 3,35,67,636)		
Total in ₹	59,72,130	1,46,56,397

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Notes forming part of the consolidated financial statements

Note : 11 Fixed Assets

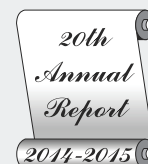
Particulars	Gross Block			Accumulated depreciation and amortisation				Net Block	
	Balance as at 1 April, 2014	Additions	Deductions/ Disposal	Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Transition adjustment recorded against surplus balance in statement of Profit and loss (Refer note 11.3)	Deductions/ Disposal for the year	Balance as at 31st March, 2015	Balance as at 31st March, 2015
Tangible Assets									
Land- Freehold	85,01,634	6,98,382	-	92,00,016	-	-	-	92,00,016	
Leasehold Land	85,01,634	-	-	85,01,634	4,96,513	-	-	13,52,534	
	2,96,81,534	2,66,81,534	-	2,96,81,534	3,59,508	-	-	8,56,021	
	30,00,000	7,06,883	-	11,25,77,893	68,10,330	12,17,838	-	2,89,37,067	
Buildings	11,18,71,010	2,25,22,816	-	11,18,71,010	33,62,679	-	-	2,09,08,899	
	8,93,48,194	7,08,73,994	20,72,329	78,81,10,705	2,50,14,890	1,11,619	14,24,006	9,09,62,111	
Plant and Equipment	71,93,09,040	25,11,82,506	10,46,750	71,93,09,040	2,97,60,245	-	2,90,424	60,19,92,901	
	46,91,73,284	15,23,18,740	-	15,23,18,740	2,54,91,367	-	-	55,68,93,739	
Windmills	15,23,18,740	-	-	15,23,18,740	80,42,429	-	-	12,00,96,060	
	15,23,18,740	48,44,764	-	1,74,48,938	79,42,642	-	-	12,68,27,373	
Electrical Installations	5,96,14,863	95,18,940	-	6,44,59,627	1,08,81,552	10,51,096	-	4,20,15,242	
	5,00,95,923	1,48,205	-	5,96,14,863	25,69,095	-	-	1,34,50,647	
Furniture & Fixtures	70,46,798	36,30,469	-	71,95,003	17,88,899	86,560	-	46,55,581	
	34,16,329	42,10,950	-	70,46,798	4,01,257	-	-	25,39,422	
Vehicles	1,78,45,419	88,68,062	6,68,286	2,20,56,369	33,04,448	-	-	17,88,899	
	96,45,643	20,31,436	33,000	1,78,45,419	23,22,612	-	5,76,754	60,16,868	
Office Equipment	1,17,64,823	35,84,178	-	1,37,63,259	43,88,761	7,53,136	23,465	33,04,448	
	81,80,645	8,35,14,614	21,05,329	1,17,64,823	7,87,102	-	-	75,18,848	
SUB TOTAL (A)	1,11,79,93,861	32,59,88,505	17,15,036	1,19,93,63,146	5,27,72,486	32,20,249	14,47,471	43,88,761	
Previous Year	79,36,80,392	-	-	23,26,04,343	4,69,77,910	-	8,67,178	28,71,49,608	
				18,64,93,610	-	-	-	23,26,04,343	
Intangible Assets									
Software (acquired)	5,89,821	94,350	-	1,89,383	1,09,239	-	-	2,98,622	
	1,08,153	4,81,668	-	5,89,821	81,230	-	-	1,89,383	
SUB TOTAL (B)	5,89,821	94,350	-	1,89,383	1,09,239	-	-	2,98,622	
Previous Year	1,08,153	4,81,668	-	1,08,153	81,230	-	-	1,89,383	
Capital Work in Progress									
SUB TOTAL (C)									
Previous Year									
Total [A + B + C]	1,11,85,43,682	8,36,08,964	21,05,329	1,20,00,47,317	5,28,81,725	32,20,249	14,47,471	28,74,48,230	
Previous Year	79,37,88,545	32,64,70,173	17,15,036	1,11,85,43,682	4,70,59,140	-	8,67,178	23,27,93,726	

11.1 Addition during the year includes ₹ Nil (Previous year ₹83,65,994) on account of interest capitalised on Plant and equipment and ₹ Nil (Previous year ₹7,852) on Building and ₹ 1,74,355 (Previous year ₹ 17,94,445) on account of foreign exchange fluctuation capitalised on Plant and Equipment.

11.2 Previous year figures are shown in Italics.

11.3 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the year ended 31st March, 2015 is lower by ₹ 47,46,088. After considering the transition provision specified in Schedule II ₹ 21,25,686 (net of tax ₹ 10,94,563) has been adjusted to surplus in statement of profit and loss as on 1st April, 2014.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

11.4 The expenses capitalised during the year are as under :-

Particulars of Expenses	₹ 31 March, 2015	₹ 31 March, 2014
Stamp Duty Charges for Registration	-	54,080
Consultancy Charges	-	2,06,250
Interest on Borrowings	7,91,138	-
Other Borrowings cost	81,169	-
Salary & Wages	2,26,788	-
Unloading charges	59,678	-
Other Manufacturing Exp	1,26,355	-
Total Expenses Capitalised during the year	12,85,126	2,60,330

Note : 12 Non-current Investments
(At cost, unless otherwise stated)

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A Trade (Unquoted)		
501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ₹ 100 each fully paid up.	50,100	50,100
1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ₹ 2000, each fully paid up.	2,000	2,000
300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ₹ 10, each fully paid up.	3,000	3,000
B Other Investments (Quoted)		
2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ₹ 10 each, at a premium of ₹ 10 per share, fully paid up plus interest of ₹ 6,386. (Market Value ₹ 6,555)	52,386	52,386
Less: Provision for diminution in value of investments	(52,386)	(52,386)
2000 (Previous year 400) equity shares consequent to share split of Punjab National Bank of ₹ 2 each (Previous year ₹ 10 each) fully paid up (Market Value ₹ 2,88,800)	12,400	12,400
Total in ₹	67,500	67,500
12.1 Aggregate amount of quoted investments (including provision for diminution in value)	64,786	64,786
Aggregate Market value of listed and quoted investments	2,95,355	3,00,975
Aggregate amount of unquoted investments	55,100	55,100

Note : 13 Long - term Loans and Advances

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured considered good (Unless otherwise stated)		
a) Capital advances	54,19,990	46,08,960
b) Security deposits		
Considered good	36,02,821	33,69,471
Doubtful	5,00,000	5,00,000
	41,02,821	38,69,471
Less: Provision for doubtful deposit	5,00,000	5,00,000
	36,02,821	33,69,471
c) Prepaid Expenses	6,18,846	7,57,438
d) Advance income tax (Net of provision for tax of ₹ 3,77,78,161 (Previous year ₹ 2,27,66,234)	69	35,030
e) MAT credit entitlement	3,08,21,600	1,61,42,561
f) Other loans and advances	3,75,000	23,01,000
Total in ₹	4,08,38,326	2,72,14,460

Notes forming part of the consolidated financial statements

Note : 14 Inventories

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
a) Raw materials	11,96,10,497	7,37,26,238
b) Work-in-progress (Refer note 14.1)	3,20,794	4,00,680
c) Finished goods	4,47,67,917	3,84,86,651
d) Stores and spares	3,39,01,779	2,94,89,239
e) Consumables	31,84,755	17,65,214
f) Goods -in-transit Consumables	-	67,08,034
g) Packing material stock	3,33,706	2,34,305
Total in ₹	20,21,19,448	15,08,10,361

14.1 Details of inventory of work- in- progress

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Multilayer Testliner and Testliner Paper	3,20,794	4,00,680

Note : 15 Trade Receivables

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	23,12,296	10,00,596
Others Trade receivables	25,34,31,066	27,69,65,336
Total in ₹	25,57,43,362	27,79,65,932

Note : 16 Cash and cash equivalents

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
A) Cash and cash equivalents		
(a) Cash on hand	1,19,932	1,42,187
(b) Balances with banks - In current accounts	3,86,561	88,99,640
Total Cash and cash equivalents (A)	5,06,493	90,41,827
B) Other bank balances		
i) In other deposit accounts original maturity more than 3 months	50,00,000	25,00,000
ii) In earmarked accounts - Balances held as margin money	42,87,718	42,91,862
- in deposit account	45,000	45,000
- Unclaimed dividend accounts	7,00,143	6,17,511
Total Other bank balances (B)	1,00,32,861	74,54,373
Total Cash and cash equivalents (A+B) in ₹	1,05,39,354	1,64,96,200
Other bank balances include deposit with remaining maturity of more than 12 months from the balance sheet date	45,000	45,000
	45,000	45,000

16.1 Balance with banks in earmarked accounts include ₹ 50,32,861 (Previous year ₹ 49,54,373) which have restriction.

Notes forming part of the consolidated financial statements

Note : 17 Short Terms Loans and Advances

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Unsecured and considered good		
a) Loans and advances to employees	3,41,190	2,16,300
b) Prepaid expenses	41,54,892	25,91,820
c) Balances with government authorities		
Cenvat credit receivable	1,42,50,730	1,76,74,170
Custom duty advance	3,48,853	1,11,890
Export incentives receivable	-	2,07,948
VAT credit receivable	46,45,952	24,77,082
Advance Income Tax	28,020	-
d) Advance to vendors	79,66,959	86,96,391
Total in ₹	3,17,36,596	3,19,75,601

Note :18 Other Current Assets

Particulars	₹ As at 31 March, 2015	₹ As at 31 March, 2014
Ancillary borrowing costs	-	2,33,964
Interest accrued on fixed deposits, margin money deposits, NSC etc.	5,04,479	7,82,752
Other Receivable	75,000	-
Insurance claims	3,07,606	18,39,164
Total in ₹	8,87,085	28,55,880

Note : 19 Revenue from Operations

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Sale of products (Refer note 19.1)	2,13,31,82,355	2,15,48,90,730
Income from windmills	2,64,55,662	2,49,58,498
Total in ₹	2,15,96,38,017	2,17,98,49,228
Other operating revenue		
Export incentive	2,04,598	2,07,948
Revenue from Operation (Gross)	2,15,98,42,615	2,18,00,57,176
Less : Excise duty	(13,13,52,289)	(13,28,54,671)
Revenue from Operations (Net) Total in ₹	2,02,84,90,326	2,04,72,02,505

19.1 Informations relating to products sold

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Multilayer Testliner and Testliner Paper	2,13,31,82,355	2,15,48,90,730
Total in ₹	2,13,31,82,355	2,15,48,90,730

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

Note : 20 Other Income

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Interest income on fixed deposits, margin money deposits, NSC etc.	9,92,948	8,33,027
Dividend income from other long-term investments	7,515	22,315
Miscellaneous income	5,30,652	1,01,461
Total in ₹	15,31,115	9,56,803

Note : 21 Cost of materials consumed

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Opening stock	7,37,26,238	10,98,97,050
Add: Proportionate share of balance in Joint venture entity as on 31 March, 2013 (Refer Note 35)	-	52,76,667
	7,37,26,238	11,51,73,717
Add: Purchases	1,36,17,17,138	1,27,24,21,716
	1,43,54,43,376	1,38,75,95,433
Less: Closing stock	11,96,10,497	7,37,26,238
Total in ₹	1,31,58,32,879	1,31,38,69,195

21.1 Materials consumed comprise :

Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014	
	Amount	% of Consumption	Amount	% of Consumption
Consumption of raw material Imported				
Imported waste paper	35,95,70,972	38.00	34,98,15,516	33.05
Colour and chemical	14,04,23,254		8,44,66,313	
Total of Imported	49,99,94,226		43,42,81,829	
Indigenous				
Indian waste paper	74,53,31,382	62.00	75,84,83,708	66.95
Colour and chemical	7,05,07,271		12,11,03,658	
Total of Indigenous	81,58,38,653		87,95,87,366	
Total	1,31,58,32,879	100.00	1,31,38,69,195	100.00

Note : 22 Changes in Inventories of Finished Goods and work-in-progress

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Inventories at the end of the year		
Finished goods	4,47,67,917	3,84,86,651
Work-in- progress	3,20,794	4,00,680
Total in ₹	4,50,88,711	3,88,87,331
Inventories at the beginning of the year		
Finished goods	3,84,86,651	1,46,28,475
Work-in-progress	4,00,680	1,54,580
Total in ₹	3,88,87,331	1,47,83,055
Net (Increase)/decrease Total in ₹	(62,01,380)	(2,41,04,276)

Notes forming part of the consolidated financial statements

Note : 23 Employee Benefits Expense

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Salaries and wages	8,86,92,317	8,45,29,133
Contribution to provident fund and pension scheme (Refer note 23.1)	16,62,186	12,40,009
Gratuity expenses (Refer Note 23.2) *	9,88,921	(9,47,136)
Staff welfare expenses	28,17,902	28,20,639
Total in ₹	9,41,61,326	8,76,42,645

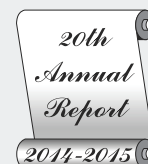
* includes ₹ 1,20,326 (previous year ₹ 2597) in respect of Joint Venture entity based on actual calculation.

23.1 Defined contribution plans

Contribution to defined contribution plans, recognised as expenses for the year as under

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Employer's contribution to provident fund	7,93,137	5,57,418
Employer's contribution to pension scheme	8,69,049	6,82,591
Total in ₹	16,62,186	12,40,009

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Notes forming part of the consolidated financial statements

23.2 Employment Benefits Expense

Disclosure relating to Employee benefits expense is as under :-

Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014		
	Gratuity	Compensated Absences	Gratuity	Compensated Absences	
A Components of employer's expense	Non Funded		Non Funded		
Current service cost	2,89,062	2,69,229	2,98,130	7,82,708	
Interest cost	2,27,058	3,31,093	2,08,715	2,14,971	
Expected return on plan assets	-	-	-	-	
Actuarial losses/(gains)	3,52,478	35,42,338	(2,84,081)	28,34,275	
Other adjustments *	-	-	(11,72,497)	(16,77,036)	
Total Expenses	8,68,598	41,42,660	(9,49,733)	21,54,918	
B Net Liability recognized in the Balance Sheet					
Present value of defined benefit obligation	32,40,439	45,64,435	24,38,862	35,56,317	
Fair value of plan assets	-	-	-	-	
Net Liability recognized in the Balance sheet (Refer Note 6 and 10)	32,40,439	45,64,435	24,38,862	35,56,317	
C Change in defined benefit obligations (DBO) during the year					
Present value of DBO at beginning of the year	24,38,862	35,56,317	22,47,425	26,05,710	
Current service cost	2,89,062	2,69,229	2,98,130	7,82,708	
Interest cost	2,27,058	3,31,093	2,08,716	2,14,971	
Actuarial losses/(gains)	3,52,478	35,42,338	(2,84,081)	28,34,275	
Benefits paid	(67,021)	(31,34,542)	(31,328)	(28,81,347)	
Present value of DBO at the end of the year (Refer note 6 and 10)	32,40,439	45,64,435	24,38,862	35,56,317	
D Actuarial assumptions:					
Discount rate	7.94%	7.94%	9.31%	9.31%	
Salary escalation	5.00%	5.00%	5.00%	5.00%	
Attrition Rate	2.00%	2.00%	2.00%	2.00%	
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	
Experience adjustments					
Gratuity	2014-15	2013-14	2012-13	2011-12	2010-11
Present value of DBO	32,40,439	24,38,862	34,19,922	17,88,094	15,10,231
Experience gain/(loss) adjustments on plan liabilities	26,728	(27,464)	(53,515)	(69,335)	(78,634)
Compensated absences					
Present value of DBO	45,64,435	35,56,317	42,82,746	19,09,931	16,30,120
Experience gain/(loss) adjustments on plan liabilities	31,14,986	31,16,684	19,61,855	14,03,250	10,31,789
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA	NA

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

* Excess provision written back.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

Note :24 Finance Costs

Particulars	₹	₹
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
a) Interest expense on		
i) Borrowings	4,81,00,401	4,36,27,235
Less: Interest capitalised	(7,91,138)	(83,73,846)
ii) Interest on short fall of advance tax	3,52,354	3,52,548
b) Other borrowing costs	27,88,408	11,60,230
Total in ₹	5,04,50,025	3,67,66,167

Note : 25 Other Expenses

Particulars	₹	₹
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Consumption of stores and spare parts (Refer note 25.1)	3,53,36,725	2,54,85,685
Power and fuel	27,26,71,428	27,97,37,727
Packing material consumed	1,80,91,418	1,93,26,135
Unloading charges	1,24,75,049	1,07,75,560
Insurance	45,61,558	41,06,550
Repairs and maintenance- Machinery	1,07,17,787	70,69,802
Repairs and maintenance- Building	17,41,663	3,91,443
Repairs and maintenance (others)	42,94,408	41,42,890
Increase/(decrease) of excise duty on inventory	2,99,841	14,15,831
Other manufacturing expenses	97,43,452	87,03,870
Selling expenses	73,98,954	84,27,164
Commission on sale	1,53,77,284	1,38,17,691
Audit fees (Refer note 25.2)	18,06,236	17,98,750
Consultancy fees	4,46,238	10,84,382
Foreign exchange fluctuation expenditure (net)	4,64,704	20,87,563
Provision for diminution in value of long term investment	-	4,071
Professional charges	23,59,595	23,04,830
Rates and taxes	5,32,575	5,80,985
Security charges	42,20,115	38,29,065
Stamp duty	10,500	59,000
Travelling expenses	18,95,954	13,18,187
Vehicle expenses	21,10,714	15,57,066
Expenditure on Corporate Social Responsibilities expenditure (Refer note 25.3)	32,70,700	-
Windmill expenses	63,05,058	51,96,838
Miscellaneous expenses	91,73,992	84,46,806
Total in ₹	42,53,05,948	41,16,67,891

25.1 Details of consumption of stores and spares

Particulars	₹ For the year ended 31 March, 2015		₹ For the year ended 31 March, 2014	
	Amount	% of Consumption	Amount	% of Consumption
Consumption of stores and spares				
Imported	80,22,737	22.70	66,35,076	26.03
Indigenous	2,73,13,988	77.30	1,88,50,609	73.97
Total	3,53,36,725	100.00	2,54,85,685	100.00

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

25.2 Payment to Auditors as :

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Payment to the auditors comprise (net of service tax input credit, where applicable)		
a) To statutory auditors For audit	15,26,236	13,28,750
Tax Audit Fees	1,05,000	1,05,000
For other services	1,00,000	3,00,000
b) Cost auditor for cost audit	75,000	65,000
Total in ₹	18,06,236	17,98,750

25.3 Expenditure on Corporate Social Responsibilities in respect of parent company

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
a) Gross Amount required to be spent by the company during the year	32,70,677	-
b) Amount spent during the year		
In Cash	32,70,700	-
Yet to be paid in cash	-	-
Total in ₹	32,70,700	-

The company has spent an amount of ₹ 32,70,700 for promoting preventing health care, education.

Amount spent on construction/acquisition of any assets is ₹ NIL.

Note : 26 Value of Imports on CIF basis

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Raw materials	45,92,27,111	35,02,92,637
Stores and spares	81,52,589	1,47,44,954
Capital Goods	1,82,49,847	1,75,26,787

Note : 27 Expenditure in Foreign Currency

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Traveling expenses	14,47,682	5,44,738

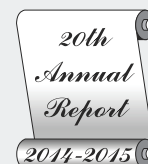
Note : 28 Earning in Foreign Exchange

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
FOB value of Export	35,89,545	36,48,948

Note : 29 Earning Per Share

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Profit for the year attributable to the equity shareholders	7,10,85,518	11,73,91,401
Weighted average number of equity shares	53,56,700	53,56,700
Earnings per share ₹ (Basic and Diluted)	13.27	21.91
Nominal value per share ₹	10.00	10.00

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

Note 30 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Accordingly, the Company has identified two primary business segments viz Paper and Windmill. The company does not have any secondary segment.

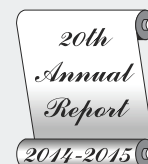
Primary Segment Information.

Particulars	For the year ended 31 March, 2015			
	Business segments		Eliminations	Total
	Paper ₹	Windmill ₹	₹	₹
Revenue	2,00,18,30,066 <i>2,02,20,36,059</i>	2,64,55,662 <i>2,49,58,498</i>	-	2,02,82,85,728 <i>2,04,69,94,557</i>
Inter-segment revenue	-	-	-	-
Total	2,00,18,30,066 <i>2,02,20,36,059</i>	2,64,55,662 <i>2,49,58,498</i>	-	2,02,82,85,728 <i>2,04,69,94,557</i>
A. Segment result	16,04,59,614 <i>22,40,50,922</i>	1,32,69,291 <i>1,15,69,230</i>	-	17,37,28,905 <i>23,56,20,152</i>
B. Unallocable expenses (net)				7,76,69,102 <i>6,13,18,410</i>
C. Operating income (A-B)				9,60,59,803 <i>17,43,01,742</i>
D. Other income (net)				15,31,115 <i>9,56,803</i>
E. Profit before tax (C+D)				9,75,90,918 <i>17,52,58,546</i>
F. Tax expense				2,65,05,400 <i>5,78,67,145</i>
G. Profit for the year (E-F)				7,10,85,518 <i>11,73,91,401</i>

Particulars	For the year ended 31 March, 2015		
	Business segments		Total
	Paper ₹	Windmill ₹	₹
Segment assets	1,29,37,60,316 <i>1,23,01,01,206</i>	12,32,94,922 <i>12,95,12,785</i>	1,41,70,55,238 <i>1,35,96,13,991</i>
Unallocable assets			6,89,26,638 <i>6,02,78,724</i>
Total assets			1,48,59,81,876 <i>1,41,98,92,714</i>
Segment liabilities	17,00,28,316 <i>15,13,11,797</i>	10,66,556 <i>6,57,938</i>	17,10,94,872 <i>15,19,69,735</i>
Unallocable liabilities			56,27,26,228 <i>58,14,98,435</i>
Total liabilities			73,38,21,100 <i>73,34,68,170</i>
Other information			
Capital expenditure (allocable)	8,14,14,878 <i>19,75,70,932</i>	-	8,14,14,878 <i>19,75,70,932</i>
Capital expenditure (unallocable)			63,39,343 <i>-</i>
Depreciation and amortisation (allocable)	4,03,75,370 <i>3,60,89,014</i>	68,81,313 <i>81,92,429</i>	4,72,56,683 <i>4,42,81,443</i>
Depreciation and amortisation (unallocable)			56,25,042 <i>27,77,697</i>
Other significant non-cash expenses(unallocable)			1,00,000 <i>-</i>

Previous year figures are shown in italics.

SHREE AJIT PULP AND PAPER LIMITED



Notes forming part of the consolidated financial statements

Note : 31 Related Party disclosure

31.1 Details of related parties

Description of relationship	Names of related parties
(i) Jointly Controlled Entities (JCE)	Shree Samrat Pulp and Paper Private Limited Shree Samarpan Pulp and Paper Pvt. Ltd.(Refere Note 35)
(ii) Key Management Personnel	Mr. Gautam D Shah, Mr. Piyush R Shah, Mrs. Bela G Shah Mr. Pankaj K Mansingka, Mr. Sandeep Shah

31.2 Transactions with related parties during the year

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
I) Managerial Remuneration paid to Key Management Personnel		
Mr. Gautam D Shah	52,59,360	94,63,485
Mr. Piyush R Shah (upto 22/01/2015)	2,42,593	96,000
Mrs. Bela G Shah # (from 07/02/2015)	7,63,688	-

Subject to shareholder's approval.

Note : 32 Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	₹ For the year ended 31 March, 2015	₹ For the year ended 31 March, 2014
Contingent liabilities		
Claims against the company not acknowledged as debt	28,36,620	28,36,620
Demand for Custom duty (Deposit paid ₹ 2,36,963)	62,07,453	-
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities.		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	56,91,777	31,51,226

Note : 33 Derivative Instruments

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹	Forex (USD)	₹	Forex (USD)
Import of Goods and Services	1,31,53,006	2,10,143	3,27,704	5,308
Particulars	₹	Forex (EURO)	₹	Forex (EURO)
Import of Goods and Services	9,22,327	13,662	-	-

Note : 34 The company's subsidiary viz Shree Samrudhi Industrial Paper Private Limited has not commenced any business. The Joint Venture company viz Shree Samrat Pulp and Paper Private Limited's unit for manufacturing of kraft paper is operational.

Note : 35 The Board of Directors of Shree Samarpan Pulp and Paper Private Limited (a Joint Venture Company), vide a Board resolution dated 26th July, 2014, have decided to dissolve its Joint Venture Entity, consequentially, the Company has written off its investment of ₹ 100,000 in the said company.

Note : 36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi

Date : 28th May, 2015

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2013)

Statement containing salient features of the financial statement of subsidiaries

Part "A" : Subsidiaries

(Amount in ₹)

1	Sr. No.	1
2	Name of the subsidiary	Shree Samrudhi Industrial Papers Private Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2014 to 31-03-2015 The reporting period is same as that of Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	Not Applicable
5	Share capital	50,00,000
6	Reserves & surplus	3,54,804
7	Total Assets	56,28,379
8	Total Liabilities	2,73,575
9	Investments	Nil
10	Turnover	Nil
11	Profit before taxation	3,67,457
12	Provision for taxation	1,23,646
13	Profit after taxation	2,43,811
14	Proposed Dividend	Nil
15	% of shareholding	100%
1	Names of subsidiaries which are yet to commence operations	Shree Samrudhi Industrial Papers Private Limited

Part "B" : Associates and Joint Ventures

(Amount in ₹)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate

	Name of Associates / Joint Ventures	Shree Samrat Pulp and Paper Private Limited
1	Latest audited Balance Sheet Date	31.03.2015
2	Shares of Associates / Joint Ventures held by the company on the year end	
	No.	39,50,000
	Amount of Investment in Associates / Joint Venture	3,95,00,000
	Extent of Holding %	50%
3	Description of how there is significant influence	Joint Control Entity
4	Reason why the associate / Joint venture is not consolidated	Not Applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet	3,52,25,141
6	Profit / Loss for the year	
	i. Considered in consolidated	(4,63,648)
	ii. Not Considered in Consolidated	(4,63,648)
1.	Names of associates or joint ventures which have been liquidated or sold during the year.	Shree Samarpan Pulp and Paper Private Limited

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

G G Dobariya
Company Secretary

Place : Vapi

Date : 28th May, 2015

Note :

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Note :

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SHREE AJIT PULP AND PAPER LIMITED

Registered Office: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396191.

Email: investors@shreeajit.com, website:www.shreeajit.com

Tel: 0260 2437059, Fax: 0260-2437090.

CIN: L21010GJ1995PLC025135

Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :
Registered Address :
E-mail Id :
Folio No. / Client Id :
DP Id :

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

- (1) Name Address
- E mail Id: Signature:, or failing him;
- (2) Name Address
- E mail Id: Signature:, or failing him;
- (3) Name Address
- E mail Id: Signature:

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on Tuesday the 29th September, 2015 at 11.00 A.M. at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396191 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	Adoption of Financial Statement including report of Board of Directors and Auditors for the year ended 31st March 2015.
2.	Declaration of dividend for the year 2014-2015.
3.	Re-appointment of Mr. Dhansukhlal G. Shah, who retire by rotation, as Director.
4.	Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as Auditors from the conclusion of this Annual General Meeting till the conclusion of 21st Annual General Meeting.
Special Business	
5.	Appointment of Mrs. Bela G. Shah, as a Director.
6.	Appointment of Mrs. Bela G. Shah, as Executive Director.
7.	Re-Appointment of Mr. Gautam D. Shah, as Managing Director.

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

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SHREE AJIT PULP AND PAPER LIMITED



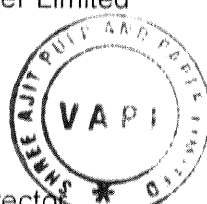

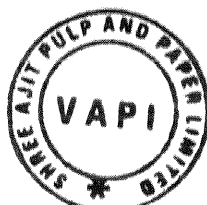

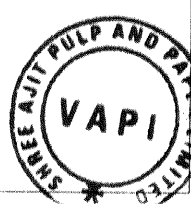
Regd. Office :
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi - 396 191.

FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

(Pursuant to clause 31 (a) of the Listing Agreement)

1	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
2	Annual standalone financial statements for the year ended	31 st March, 2015
3	Type of Audit qualification	Unqualified
4	Frequency of qualification	Not Applicable

<p>Refer our Audit Report dated 28th May, 2015 on the Standalone financial statements of the Company.</p> <p>For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Registration no. No 117366WW-100018)</p>  <p>Rupen K. Bhatt Partner Membership No. 46930 Vapi, 28th May, 2015</p>	<p>For Shree Ajit Pulp and Paper Limited</p>   <p>Chairman and Managing Director</p>   <p>CFO</p>   <p>Audit Committee Chairman Vapi, 28th May, 2015</p>
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FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

(Pursuant to clause 31 (a) of the Listing Agreement)

1	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
2	Annual consolidated financial statements for the year ended	31 st March, 2015
3	Type of Audit qualification	Unqualified
4	Frequency of qualification	Not Applicable

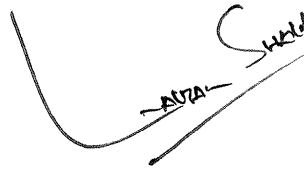
Refer our Audit Report dated 28th May, 2015 on the Consolidated financial statements of the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Registration no. No 117366W/W-100018)

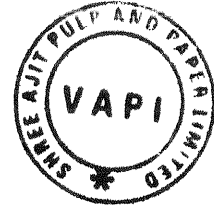


Rupen K. Bhatt
Partner
Membership No. 46930
Vapi, 28th May, 2015

For Shree Ajit Pulp and Paper Limited




Chairman and Managing Director

CFO

L.N. SARGI

Audit Committee Chairman
Vapi, 28th May, 2015

